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the 21st century, when things are changing much more rapidly, when it requires a whole lot of knowledge from different sources to make good decisions, and when you're dealing with problems that developed over a long period of time and therefore may need some period of time to solve. In that sort of environment, a whole different decisionmaking process has to take hold. And you need to deal with different kinds of people and work in different ways to make things happen.

But I think if I get scored based on what we actually did, I'll be satisfied. I just want the American people to know what kind of changes we're trying to effect. And I don't want them to turn back; I want them to keep going with us. Give us 2 more years to make these changes; then they can make a judgment about whether we did what we said we'd do.

Life in Washington, DC

Ms. Ratner. One last question: How's it been living in Washington? You're new to this area; I'm fairly new to the area. I find it a tough place to be sometimes.

The President. Well, you know, Harry Truman said if you want a friend here, you ought to buy a dog. [*Laughter*] But I must say first, it's a beautiful place; it's a magnificent place.

Ms. Ratner. It certainly is.

The President. Secondly, it is an honor—with all the difficulties, it is still an honor and a joy to come to work in this office every day. Next, my wife and I have a lot of good friends here. And our daughter has done wonderfully well. She's been blessed with a terrific school, a very difficult, challenging, but good school and wonderful friends. So I have no complaints about living here. I've enjoyed it very much, and I'm just trying to get up here every day and do the job the American people hired me to do.

Ms. Ratner. Thank you very much, Mr. President.

The President. Thank you.

NOTE: The interview began at 3:23 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of this interview.

Nomination for Controller of the Office of Management and Budget
October 12, 1994

The President today announced his nomination of G. Edward DeSeve as Controller of the Office of Management and Budget (OMB).

"Ed DeSeve is a financial innovator with financial management expertise in both the public and private sectors," the President said. "He is a welcome addition to OMB and will help the administration meet its goal of strengthening financial management throughout the Federal Government."

NOTE: A biography of the nominee was made available by the Office of the Press Secretary.

Remarks on Signing the Federal Acquisition Streamlining Act of 1994
October 13, 1994

Thank you very much. Ladies and gentlemen, let me begin by thanking all of you for all your work on these projects and thanking the Members of Congress who are here. Let me also begin with a story that's not in my notes but I think is important to you to understand all this.

When Vice President Gore and I showed up here 20 months ago, we had talked about a lot of things. There were even cartoons making fun of us for being policy wonks. I've got one in there in the White House with everybody falling asleep while I talked to them about more new ideas. [*Laughter*] But one of the things

that I learned as a Governor, even though we had kept our State and local tax burden when I was Governor in the bottom two or three in the country every year, I still found that there was massive frustration among taxpayers and among public employees with the way our government worked, which was much smaller than almost any other State government and obviously much smaller than the National Government. And we began this process of trying to reinvent our efforts there.

I thought that something like this on the national scale was much more necessary if we were ever to make public employment rewarding, if we were ever to reduce defense and maintain our national strength and national security, if we were ever to regain the confidence and trust of the American taxpayers. And when I talked to the Vice President about it, he thought so, too. I said, "You know, the problem with this sort of deal is, everybody is for it. It's a 100 to nothing deal, but nobody wants to take responsibility for it because it is a real pain to get it done." He was willing to take responsibility for getting it done, and the American people owe him a great debt of gratitude for the work that he has done on it.

I kind of hate to sign this bill today. What will Jay Leno do? There will be no more $500 hammers, no more $600 toilet seats, no more $10 ashtrays. Al Gore will never get on David Letterman again. [*Laughter*] It's sort of a sad moment—[*laughter*]—the passing of Government purchasing as the butt of all the jokes on the evening shows. But it is a very important moment for the American people who are out there working hard and need to keep as much of their money as they can, and if they give us any of it, they're entitled to know that we're spending it properly.

This Government cannot ignore problems with our operations. We have tried to get those problems into the open and to deal with them and in the process to make it part of our ongoing effort to have the actions of our National Government mirror what should be happening in all of our society, decentralizing, empowering people, relying more on people who are closest to the action.

We've done a lot of other things like that. I signed a bank reform bill the other day which will remove a billion dollars in regulatory compliance; the trucking deregulation bill, estimated to save $8 billion in compliance with Federal regulations. We built a new highway in California after the earthquake in less than half the time we were told it could be built because we just changed the rules and the incentive structure there. The SBA now can give you a 3-page form—or a one-page form for a loan instead of one that's 100 pages long, and you can get an answer in 3 days. This is all part of that. We've given 17 States—17 States in 2 years, more than in the previous 12 years—permission to design their own welfare reform systems to move people from welfare to work.

So this procurement reform legislation we are signing today is a way to build the confidence of the American people in Government but also empower the people who work for the Government to make the most of their jobs and make the most of taxpayers' dollars.

This is the kind of thing I'm convinced that we'll be called upon to do more and more, not to do things for people but to empower people to do things for themselves, both within and beyond the Government. If you think about it, that's what the family leave law is all about. You've got to be a parent; you've got to be a worker; you might as well be good at both. That's what the family leave law is about.

That's what the college loan law is about, where the Secretary of Education and Deputy Secretary of Education and others designed a way that actually costs the taxpayers less to figure out how to give people college loans at lower interest rates and longer repayment terms; 20 million Americans already eligible to refinance their loans. We're not giving anybody an education; we're just making it possible for them to get it and make a contribution to our country.

And that's really what this whole reinventing Government effort is all about. It's a big challenge. One of the reasons it's a big challenge is that we've committed to reduce the size of this Government by 272,000, to its smallest size since the Kennedy administration, within a 6-year period. That means that we have to reform all of our other systems. If we don't reform the procurement system, we'll have too many people working in procurement to ever make that reduction. If we don't redefine the functions of the Government, we'll never get there.

That's why I'm so proud—and I want to say a little more in a minute—but I am so proud of the work that Secretary Espy has done at the Agriculture Department, where they have—in this Agriculture Department reform legisla-

tion that I just signed, they've reduced the number of their agencies by a third within the Agriculture Department; they've reduced their employment by 7,500; they've done a whole lot of other things that are profoundly important. All of this will enable us not only to downsize the Government, to do it without reducing the services we're giving to the American people.

One of the things that I found kind of nice is—you know, it's hard for a fellow like me to ever find anything in print I want to hold up anymore—[*laughter*]—but the Financial World, which is not the house organ of this administration, has written a letter to me in their present issue. And it says, with regard to running the Government, "We think you're making real progress. We've taken a close look at 10 of your major executive branch Departments and agencies to see how well they're managed. And we can report that most of them have improved under your leadership." Well, I appreciate that, but you guys get the credit, and I thank you for doing it.

I know that a lot of Americans have heard all these stories, but in addition to the ones that the Vice President told on the Letterman show, I think it's important to realize that there were real consequences to some of these problems that went beyond money.

A lot of you remember the story that Lt. Col. Brad Orton told us from Operation Desert Storm, when the Air Force tried to buy 6,000 of these high-tech, two-way radios from Motorola that were on the commercial market. They couldn't do it, and we were embarrassed. We had to go to the Japanese and ask them to buy the radios because we didn't have time to go through our procurement processes when we were out there trying to fight a war and stop a tyrant. You know, it's not as funny as the stories you hear, but it is terribly important.

Well, a highly competitive company like Motorola, frankly, didn't have time to spend all the money and effort it would take to comply with the inane regulations that kept Government employees from buying these. One of the things that I'm really pleased about is that, Senator Glenn, we now have, and Congressman Conyers, a letter in our file to me from the president of Motorola saying that you guys did a good job on this procurement reform, and we can now buy all of these that we need. [*Laughter*]

You know, one other thing I would like to say is that very often little things have big consequences. I was pleased to see that the Vice President introduced Michelle Cradduck, and you see she got a good little article in the local paper here today. We would like to have your advice about how to get this kind of press on a more regular basis. Now, that would be a real reinvention of Government. [*Laughter*]

But you think about this. This law cuts red-tape for purchases under $100,000, but it lets, maybe most important of all, front-line managers decide on purchases of less than $2,500. They can shop for the best deal without being bogged down in any bureaucracy. This will save—this is amazing—this will save, we estimate, $50 on every single purchase of items under $2,500. That's how much money we have been paying to comply with our own rules and regulations. Fifty dollars, you think about it; you add that up. That's a lot of children in Head Start. That's a lot of high school graduates going into apprenticeship programs. That's a lot of middle class kids getting college loans. That's a lot of money that's just been flushed away because we didn't change with the times. Gone are the days when a $4 stapler will require $50 worth of paperwork—never again, thanks to people like Michelle Cradduck. We thank you very much.

Today I am signing an Executive order that will go a little beyond the law. It will actually give people who use these products the authority to make small purchases, so the managers don't have to do it either.

These reforms, as I said, by illustrating this, will also strengthen our national security. Under the old system, defense contractors were virtually forced to develop practices and products unique to the military. The procurement process itself defied the development of modern technology in requiring the American industry to divide into defense and nondefense sectors. It meant our military paid higher prices, often couldn't get state-of-the-art technologies, and it meant also that we were dividing American industry at a time when emerging technologies were unifying processes across the lines of defense and nondefense economic sectors.

With these reforms and the ones that Secretary Perry announced last June, our men and women in uniform will have the best equipment in the world. They will be able to operate in this post-cold-war world which, as we all know, is still a dangerous place. The private sectors will be able to provide the equipment they need, and they will be able to do it in a way that

strengthens the commercial sector as well as the defense sector instead of dividing them both and weakening them both. This will help us to compete and win in the global marketplace as we build our national security, not forcing company after company after company to choose between one or the other path. It is a very important but little noticed consequence of this reform.

Let me also say that this law also builds on our commitment to small businesses. It allows small businesses to learn more about and bid on Government contracts through electronic information that works, they can reach through their own computers. It continues to increase purchases for minority-owned businesses. It sets a goal that at least 5 percent of the purchases will come from businesses owned by women.

As I said earlier in reference to the Agriculture Department bill, there are a lot of other things which should reinforce what we're doing today. I signed a bill which helps HUD to improve the management of apartment buildings and helps the Department of Energy's laboratories to develop peacetime technologies. The Agriculture Department bill, as I said earlier, closes 1,200 unneeded offices, fights fraud and abuse in the crop insurance program, cuts the number of divisions in the Department by a third, reduces employees by 7,500. Pretty soon, we'll be able to move the rest of the Federal Government over to the Agriculture Department. [*Laughter*]

I also signed before I came out here the Government Management Reform Act. Again, a little noticed bill, but it will be very important to all of you as we seek to keep this process going. It will help to eliminate waste, fraud, and abuse by developing reliable financial statements on cost and performance. Within 4 years, for the first time ever, believe it or not, the Government will publish, just like any good company would, an annual consolidated financial statement covering every executive branch agency. We are going to do that as well.

There's one more step I want to take today, and this may be somewhat controversial, but it's important. You know, these signing ceremonies are fun. Everybody forgets there are a lot of hard work and tough tradeoffs and difficult decisions that leads to these things.

Congress recently passed two spending bills that prevent several Government agencies from making the personnel cuts that must be made to continue reinventing Government and to finance the crime bill. Today, I'm asking Congress to get rid of those restrictions on our ability to cut back big government and to do more with less. This is a matter of principle as well as practice. No agency anywhere should be exempt from doing its job as efficiently as possible. The Federal employees don't want it that way. It's not fair to some and not others, and it won't permit our system to work as it should.

Finally, let me say this. Most of you here care a lot about all this. But a lot of people don't get very excited about it, and far too many can't imagine that Government could ever change itself. But bit by bit, the things we are doing, like the thing we are doing today, we'll be able to prove by actions, not words, that we can use taxpayers money wisely and with respect, in an appropriate way. After all, the American people own this place. They are our employers as well as our customers. They deserve the same honesty and efficiency from their Government they demand from the private sector. They should settle for nothing less. With this historic law, we are taking another big step in meeting their expectations and in doing our duty.

To all of you who have made this day possible, I say a profound thank you.

NOTE: The President spoke at 11:30 a.m. in the Rose Garden at the White House. In his remarks, he referred to Michelle Cradduck, contract specialist in the Public Health Service's Division of Acquisition Management. S. 1587, approved October 13, was assigned Public Law No. 103–355. The Executive order and related memorandum on Federal procurement are listed in Appendix D at the end of this volume.