

May 19 / Administration of George Bush, 1992

principles of a free and democratic society, including free elections, pluralism and tolerance, freedom of emigration, the rule of law, and respect for human rights, including equal rights for all individuals belonging to ethnic or religious minorities. The United States Government, in cooperation with the American private sector, will make available programs designed to help Kazakhstan establish the institutions, ideas, and practices that form the foundation of democracy.

Kazakhstan will seek to accelerate its efforts to move toward a market economy through a plan for macroeconomic stabilization and structural/microeconomic reform that will promote economic recovery, market development, and growth. This plan will be developed in cooperation with the International Monetary Fund and other international financial institutions. The United States will support such a plan and will encourage others to do so as well. In particular, the United States will provide Kazakhstan with access to technical assistance programs to assist its efforts to develop a market economy.

Kazakhstan and the United States will work actively to promote free trade, investment, and economic cooperation between our countries. The United States and Kazakhstan have signed three economic

agreements that constitute the basic framework of our economic relationship. They will promote economic ties between the two states and will further economic development. We have concluded a trade agreement that will confer Most Favored Nation tariff treatment on Kazakhstan, an OPIC agreement to make available investment insurance for American firms investing in Kazakhstan, and a Bilateral Investment Treaty. We have also agreed to expedite negotiations on a tax treaty, and to develop our cooperation in the area of scientific research and environmental protection. A critical feature of our cooperation will be an effort by Kazakhstan to lower barriers to trade and investment to allow greater access for American and foreign firms, especially in sectors such as oil and natural gas, mining, agriculture, manufacturing, and food processing.

By agreeing to work jointly to advance these common interests, we have taken an important step in the development of a strong, lasting friendship between Kazakhstan and the United States. Through expanded cooperation between our governments, and expanded contacts between our peoples, we seek to build an enduring relationship that will enhance the freedom and well-being of our nations and the world.

Remarks to the National Retail Federation

May 19, 1992

The President. Let me first salute Lamar Alexander; most of you know who he is, our Secretary for Education. But as we're trying to literally revolutionize American education, give kids a real break, give them a shot at excellence, why, I can't tell you how grateful I am to have him as Secretary. He's doing a superb job.

Tracy, president, thank you for having me here. And to Joseph Antonini, I salute him, our chairman. And thank you all very much for coming.

I gather Pat Saiki has been here, right, or has she?

Ms. Tracy Mullins. She spoke to us this

morning.

The President. Yes. I want to say about Pat, when this problem broke out there in Los Angeles, she took that SBA and really rose to the occasion. I think she's really trying to help in that field. And of course, what they're doing, SBA, across the board, I hope, is beneficial in many ways to all business people in this country.

But as you know, these riots out there left a large number of retail operators and a lot of small businesses devastated. What happened in the Korean community, where it was particularly concentrated, was just horrible and, of course, all communities. But

Pat did respond very swiftly. The SBA and then also FEMA, the Federal Emergency Management Agency, have made massive resources available. The Federal Home Loan Bank is going to offer an additional \$600 million to finance the rebuilding of homes and businesses there. Then we have a special task force to cut the redtape and to make sure that these businesses get the help that they deserve in record time.

So I wanted to just give you a report on that. I think the Federal Government has responded promptly to the troubles out there. The Governor and the Mayor have both thanked us for what we've done, not only in this side but also in the law enforcement side by bringing to bear some of the U.S. Army, the 7th Infantry, and the Marines at a time when it was very dicey. So I hope that our response has been proper. But now we've got to go beyond this tragedy and renew our commitment to bring hope and to bring opportunity not just to Los Angeles but to every city.

Last week, we went to the Congress with six action-oriented items. Again I had a chance to repeat that; we had the Democratic leaders and the Republican leaders into the White House today. And the six points: The first one was a "Weed and Seed" anticrime initiative, where you weed out the criminal elements and then seed the neighborhoods with investments and jobs that hopefully will bring opportunity to the communities.

The housing initiative is known as HOPE, that's Homeownership for People Everywhere. We get hit, saying, "Hey, we ought to try some new ideas." We said, "This is a new idea. It really hasn't been tried." It's a proposal we've had out there. But I happen to feel that dignity comes with owning your own home an awful lot of the time. So we're going to press, and I think Congress now will be much more receptive to that.

Education reform Lamar will talk about. But in terms of meeting medium and longer range objectives, therein lies the answer. These kids have got to be educated. They have got to understand that gang warfare is no substitute for jobs. So we're putting an awful lot of stake on trying to get through now the education program that

I'm sure Lamar will describe to you.

Welfare reform, you've got to be careful that you put it forward in a very constructive way, and that, again, is what we're trying to do. I read the case of the family the other day where a little girl had managed to save a pittance, her mother being on welfare, and the welfare law was such that she couldn't save anything beyond \$1,000. That seems to me to be counterproductive. So we're trying to make reforms there, as well as permit the States to try new things through what we call the waiver process: give waivers to the States from the existing guidelines and let them try innovative answers, whether it's learnfare or workfare or whatever it is. So this one is important. Again, it transcends just Los Angeles, but it's a national thing.

Strong job training programs for young people is a very good one. And we've got Job Training 2000, which is like a one-stop shopping for all the Federal Agencies to come together and help on that one.

Then the enterprise zones approach. I was amazed, but in everyplace I went, both there in South Central, in the Korean community, and then in Pittsburgh and in Philadelphia, there's an idea which really has unanimous support now. So I am very hopeful that this enterprise zones concept that passed the Congress, not in the form we wanted but that passed the Congress, will be enacted into law. It will bring private capital and jobs to the neighborhoods. It will act like a magnet, giving businesses a break to locate in these tough areas. And obviously, if it didn't work and wasn't productive, they wouldn't stay. But at least it's an idea that needs to be tried.

Now, on your business, I know the retailers have not had it easy. You've been through some tough times, as have many other sectors of the economy. I think there are reasons to be encouraged overall. In the first quarter of this year, retail sales were up by, I'm told, a strong 3 percent. And I want to tell you that we are going to try to do everything we can from here to ensure that the growth continues.

It's odd, I just saw some new surveys, and the American people still feel the economy is getting worse, even though most economists now and most business people are

saying, "Hey, it's beginning to move." I think you'll see some growth figures that confirm that. But there's a confidence problem out there that I'm sure adversely affects some of your interests, some of your business. I think that can turn around now, and I think it will turn around.

We are going to try not to oversell where the economy stands but at least try to gun down some of this pessimism you get on the top of every news broadcast across this country. I mean, when a statistic comes out that's favorable, somebody finds a bad one to offset it with or trying to put a bad spin on it. But I believe things are beginning to move. And I think most people in the country feel that way. I hope that that is immediately felt in the retail business.

In Washington, clearly, we've got to get our own house in order. We have proposals before the Congress now that really would help with the Federal deficit. We are not going to get the deficit down until we cap the growth of—you don't have to cut—but cap the growth of the mandatory programs. There's no other way to do it. We've done fairly well by capping the discretionary programs. But we've got to get discipline back.

That leaves me to ask for your support for an idea that I've long been for, advocated it in campaign after campaign, but that we may have a chance to get through Congress now, and that is the balanced budget amendment. It will have to be phased in. It can't be done overnight. But it can be phased in. And I really think it would discipline not just the Congress but any executive branch, ours or subsequent executive branches. I would like to ask your support on that because that's beginning to churn around in the Congress right now.

Secondly, we are going to continue to go after redtape, reduce Federal redtape. It acts as a straitjacket. I was in business once, that was way back in the fifties and sixties, and I remember the pain it was to have to go to several Agencies to get permits to go out and do our business. So we are trying to simplify all that now, recognizing that every dollar you spend conforming to some Government mandate is a dollar that you could spend in some way making sales to your customers more efficiently or reducing costs or whatever.

As you may know, we have a moratorium now on new Federal regulations. It has been successful, and now we've renewed it. We're speeding up those regulations that encourage growth. Wherever possible, we are actually canceling regulations that needlessly burden business. I have certain responsibilities for safety, for the environment, but I am convinced that up until now we've not found, Government hasn't found, the proper balance. We are really working at this problem, and I hope that we can prove to you that the days of overregulation are just exactly that, that they are over. But if you get examples from your businesses where that is not true, please call them to our attention, and let us try to help with this bureaucracy out there where we have to fight to hold the line against the excesses of regulation.

The IRS, just by way of example here, at our direction has issued new rules to simplify the payroll tax system. Those new rules are really going to reduce, significantly, I might say, the payroll costs of businesses. We're launching an experimental program that will let employers make tax payments electronically. And there is no reason why you should waste time and money doing paperwork for the U.S. Government.

I also understand how crucial trade is to the growth of your area; this is a whole other point. In fact, I believe it is crucial for every American. Our economic success at home depends on our economic success abroad. We can no longer pull back in isolation or into protectionism. We simply can't do it. There are some bad politics in it. Maybe there are some good politics. I know there's good common sense in this approach I've outlined.

I really appreciate what you all have done on behalf of the North American free trade agreement. And I am convinced that it is in the interest of the American worker to get that agreement passed. When we get it, and I am confident we will, we're going to have created a \$6.5 trillion market with the North America free trade agreement, \$6.5 trillion market, one of the largest of the world.

Also on the GATT round, we're moving forward there. It's difficult, the hangups, I

won't burden you with all the details, but I'm telling you it's like pulling teeth getting the GATT round completed. But a successful GATT agreement could pump more than \$5 trillion into the global economy over 10 years. Our share of that promises to top \$1 trillion. That means, obviously, more and more better jobs for Americans. I think it means better service for your customers, too, and I think it means better prospects to make your businesses grow. I think the consumer is helped here by prices being reasonable and more competitive.

Now, I am committed to both the NAFTA and GATT round conclusions. And some call this trade policy optimistic, and in a sense, I think they're right because I am optimistic about this country. I refuse to be one of the pessimists when it comes to where we stand in terms of the future. The creativity and the energy and the enthusiasm of the members of this organiza-

tion are just the best possible rebuttal to the pessimists.

So with your help I think we can demonstrate, as we're coming out of this slow, infinitesimal growth period, that we've got plenty to be grateful for and that there's plenty of opportunity out there. The retailers have been in the lead for many sensible fiscal proposals up there on Capitol Hill, and this is a good opportunity just to say thank you from the bottom of a very, very grateful heart.

Thank you for being with us today. And now I will turn the program either to the chairman or to the other president, depending how we want to do all of this.

Note: The President spoke at 3:03 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to federation officers Tracy Mullins, president, and Joseph Antonini, chairman.

Message to the Senate Transmitting the North Pacific Fish Conservation Convention

May 19, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Convention for the Conservation of Anadromous Stocks in the North Pacific Ocean, with Annex, which was signed by the United States of America on February 11, 1992, in Moscow. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Convention.

This Convention establishes a new organization, the North Pacific Anadromous Fish Commission (NPAFC), which will contribute significantly to the conservation of anadromous fishery resources and ecologically related species in the high seas area of the North Pacific Ocean. The Commission will serve as an effective forum for closer international coordination of North Pacific fishery enforcement activities on the high seas. Canada, Japan, the Russian Federation,

and the United States cooperated in the development of the Convention, which will enter into force following ratification, acceptance, or approval by all four of these signatory States. It is anticipated that the Convention will enter into force before the end of 1992 or by early 1993. It is important that the United States and the other concerned States ratify the Convention quickly so that we may operate under its beneficial framework as soon as possible.

I recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

GEORGE BUSH

The White House,
May 19, 1992.