

Exchange With Reporters Prior to a Meeting With Democratic Congressional Leaders February 16, 1993

Economic Program

Q. Mr. President, your spokesman says there would be no negative effects on the economy from the tax portion of your stimulus plan and your economic plan, and that the stock market's reaction today is just a simple stock market cycle that has nothing to do with your program. Do you agree?

The President. I do. I mean, the people in the stock market know, have known in general all along what was going to be in the program, and the stock market has gone up markedly since the election. The stock market's been going up since the election.

Q. Do you agree there will be no negative effects on the economy from taxes?

The President. Absolutely, I do. I believe if we reduce the deficit it will stabilize long-term interest rates, free up money for growth and increase jobs—

Q. Your spokesman also said that the middle class tax increase could also touch those making \$30,000 and more. Is that breaking the faith with the middle class, Mr. President?

The President. Tune in tomorrow night.

NOTE: The exchange began at 3:08 p.m. in the State Dining Room at the White House.

Message to the Congress Reporting on the National Emergency With Respect to Iraq February 16, 1993

To the Congress of the United States:

I hereby report to the Congress on the developments since the last report of August 3, 1992, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to sections 401(c) of the National Emergencies Act ("NEA"), 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were

also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders Nos. 12724 and 12817 (the "Executive Orders"). The report covers events from August 2, 1992, through February 1, 1993.

1. On October 21, 1992, President Bush issued Executive Order No. 12817, implementing in the United States measures adopted in United Nations Security Council Resolution ("UNSCR") No. 778 of October 2, 1992. UNSCR No. 778 requires U.N. member states temporarily to transfer to a U.N. escrow account up to \$200 million apiece in Iraqi oil proceeds paid by the purchaser after the imposition of