

honor those debts once they start making money again. But the history is that countries need a few years to basically move from a Communist economy to a free market economy. As they do that and they begin to acquire some success, then I think they'll be able to pay down their debt. But the dilemma now is if we tried to make them pay it off now, we'd just drive them further in the economic hole and run the risk of having them revert to a dictatorship of some kind. And we don't want to do that.

So I wouldn't let anybody off the hook that could pay it back, but the point is for them, they never really—unlike the Chinese, for exam-

ple, who were traders for centuries and had a whole market history, the Russians essentially went from a feudal agricultural economy under the Czars to a Communist economy that then became dominated by heavy industry. And moving into a modern free market economy is very difficult for them.

Q. So we're going to work with them?

The President. Yes, I think we should.

NOTE: The exchange began at approximately 1 p.m. outside the Milwaukee Exposition Convention Center and Arena. A tape was not available for verification of the content of this exchange.

Remarks to Bay View Community Members in Milwaukee June 1, 1993

The President. Thank you very much. I want to thank Gerry Kleczka and everybody else. But I especially want to thank the Langer family for bringing me to Bay View. I'm glad to be here. When I was on the way out here today the mayor said that he was the mayor of Milwaukee and Bay View and that I needed to know that if I was going to come here. So I'm glad to be here. I also want to introduce to you Wisconsin's newest Member of Congress, Mr. Peter Barca, who just showed up.

I'm sorry you all are in there behind that fence, and I look forward to getting out and shaking hands with you. I just wanted to say one or two things before I do. I was just in downtown Milwaukee, speaking with several thousand people about the economic plan that I have presented to Congress. And there are two or three things that I want to say to you about it so you'll all know, because there are a lot of things that have not been brought out that I think you're entitled to hear.

First of all, this plan has over 200 spending cuts. I see all these signs saying, "Cut spending." Where were you when we cut them? It has a lot of spending cuts in it, over \$240 billion.

Secondly, the tax increases in this plan all go to reduce the deficit, and over 74 percent of the money comes from people with incomes above \$100,000. Families with incomes below \$30,000 pay nothing. The other thing I want to tell you is, if your income is above \$30,000

and below \$100,000, depending on the size of your family, the energy tax that the House approved costs you a dollar a month next year, \$7 a month the year after that, and for a family of four, \$17 a month the year after that. All of it goes to reduce the debt.

I think it's worth doing. It's brought interest rates down to a 20-year low. We have interest rates at a 20-year low. That means Americans are going to refinance their homes, get lower car loans, refinance their business loans, get lower consumer loans, lower college loans. It will save \$100 billion for American businesses and individuals this year if we can keep those interest rates down. So I want you to support that.

The second thing I want to say about it is this: We have put forward a program which will open the doors of college education to all Americans, just like I promised in the campaign, lower interest loans, better repayment terms, and giving tens of thousands of Americans a chance to pay their college loans by serving their communities here at home, by working to make their communities a better place.

The next point I want to make is that as soon as this budget is over, just like I said in the campaign, we're coming forward with a plan to provide health care security, affordable health care, to the working families of this country, who have been savaged by high costs, insufficient coverage, and the inability to change jobs

because somebody in their family has been sick. This administration is about jobs, incomes, health care, education, and training, and bringing this deficit down.

Now, I want to say one last thing. I heard all this talk in the country about how this is a tax program. I just want to make this point. It is not just a tax program. It's an economic program. It is over \$240 billion in budget cuts. We're going to reduce the size of the Federal Government by 150,000. We are——

Audience member. Make the cuts first!

The President. We are cutting first. That's what the budget resolution is all about. You can't raise taxes without the budget cuts. It's illegal now. That's the whole point. We won't have the tax increases without the budget cuts. It's all going to be put in a trust fund. And unlike all previous years, if we don't make our reduction targets and reduce that debt, the President by law is now required to come in and fix it, something previous Presidents did not have to do. We have changed the law.

And what you've got to decide is whether you want more hot air, more rhetoric, more politicians up there telling you what you want to hear, or somebody who will tell you the truth, turn the country around, and get the economy

going again. I think that's what you want, and I hope you'll support your Members of Congress and me as we try to do that.

Let me say one final thing. I think that a lot of you before I came here today had no earthly idea that we'd cut all that spending because the Congress didn't fight it; they just did it. I think you did not know also that families with incomes under \$30,000 were being held harmless because we had support for that. And you may not know that small businesses like Langer's Pharmacy are going to have tax incentives to reinvest in their businesses that were not there before if this plan passes.

This is a good plan for the economy. It's a fair plan for the middle class. It asks the wealthiest Americans to pay their fair share. And unlike previous plans, it's not a lot of hot air. It will do what it's supposed to do. I think we've had enough hot air for the last 12 years. Let's do something real and strong and move this country forward.

Thank you, and God bless you all.

NOTE: The President spoke at 3:45 p.m. at Jack Langer's Pharmacy. In his remarks, he referred to Representative Gerald D. Kleczka.

Exchange With Reporters Prior to Discussions With Prime Minister Brian Mulroney of Canada

June 2, 1993

Prime Minister's Visit

Q. Is this a hail-and-farewell visit?

Prime Minister Mulroney. I came down to see the President about NAFTA and some trade matters and Bosnia, where we have troops on the ground, and to work with him. We agree with the prudent and thoughtful course he's been pursuing there. And I'd like to talk to him about further engagement at the United Nations and also to say good-bye and to you, Helen [Helen Thomas, United Press International]. After a decade I thought I owed you a trip.

Q. Are you going to miss it?

Prime Minister Mulroney. Pardon?

Q. Going to miss it, aren't you?

Prime Minister Mulroney. Yes. All politicians suffer from decompression when they leave office.

Bosnia

Q. Do you agree with the Bosnia policy?

Prime Minister Mulroney. Yes, I do. I agree that——

Q. You don't think it should have been more aggressive on the allied part?

Prime Minister Mulroney. Well, I've been astonished by some American commentators and observers asking for an American solution in Bosnia. There's no such thing. There is only a common solution, for all of us have to get into this together and accept our responsibilities. It's unfair to say that, oh, why don't we have an American solution to this intractable problem