

when you go home. There's just millions of them out there, and they're bright and good. They can do anything that they have to do to take this country into the 21st century, if we can simply do what we have to do to stop some of the crazy things that we have permitted. Don't expect it to happen overnight. This family degeneration has happened over 30 years. The wages have been stagnant for 20 years. The deficit has been exploding, and investment in productive things have been declining for 12 years. We do not have to do it overnight. But we

must become intolerant in a consistent way, in a compassionate way, and we must believe that what worked for so many of us will work for tomorrow's children, too. If we believe that and we act on it, then our intolerance can give our country a new birth.

Thank you, and God bless you all.

NOTE: The President spoke at 9 p.m. at the Waldorf Astoria Hotel. In his remarks, he referred to Elizabeth Moynihan, the Senator's wife.

Remarks on Presenting the Malcolm Baldrige National Quality Awards *December 14, 1993*

Thank you very much. Secretary Brown and former Secretaries of Commerce, Members of Congress, members of the Baldrige family, and the honorees and all their supporters waving the flags and the signs in the back. It's kind of nice, after all of the speeches I've given and all the crowds I have to see, those kinds of signs waved at me when I speak.

Before I present the Baldrige Award today I would like to talk just a moment about the progress of the GATT negotiations which Secretary Brown mentioned. Today the United States negotiators have achieved a breakthrough in the talks to conclude a new round in the General Agreement on Tariffs and Trade. We are now on the verge of an historic victory in our efforts to open foreign markets to American products.

I do want to make it clear, however, that the negotiations are not concluded yet. Thorny issues remained, and I have instructed our negotiators to push very hard for our objectives as they conclude the remaining details. I've made it clear that I will not accept a bad GATT but that we will not spare any effort to fight for a good one. Now the United States and the European Community are in a position to work shoulder to shoulder to push for concessions from other nations in the final hours.

The stakes are immense. This would be the single largest trade agreement ever. It writes new rules of the road for world trade well into the next century. It would cut other countries' tariffs for our goods, on average, by more than

one-third. When fully phased in, it could add as much as \$100 billion to \$200 billion to the United States economy every year. It opens foreign markets to our manufacturing and agricultural products and for the first time covers services. It does all of this while preserving our sovereignty and especially our ability to retaliate against unfair foreign trade practices.

With NAFTA, our Nation chose to take the new world economy head on, to compete and win and not retreat. Our willingness to lead set the pace for other nations of the world. Americans have reason to be proud; we're on the way to making this world change in a way that works for us. I know that all of you join me in wishing our negotiators well and hoping that we can conclude a successful agreement. We have another day.

I'm delighted to be here in this wonderful auditorium again, the same place where we signed the historic NAFTA legislation just a few days ago. A lot of people thought that that fight would end up in defeat. But I felt if we stuck by it, if we just kept arguing that a wealthy country can only create jobs and raise incomes by increasing the number of its customers for goods and services, in the end we would prevail. And we did, thanks in large measure to an enormous bipartisan coalition of people from all over America and to the efforts of Secretary Ron Brown who worked very hard on it as well as Mickey Kantor and so many others. I'm honored to be with you again for this happy occasion because, like NAFTA, the Malcolm Baldrige

Quality Award is an important part of our effort to change the way America thinks about doing its business.

In the months since I have been in office, we've been taking all the specific actions we can to try to help our Nation adapt to the changing world we find, working to create a climate in which private enterprise can grow and prosper and put Americans back to work. From the deficit reduction program to NAFTA to addressing the credit crunch to the deregulation of high-tech exports to the successful meetings with the G-7 nations and the Asian-Pacific nations, the goal is the same: to make our people more secure in the shifting economic environment at home and abroad by allowing us to compete and to win.

With the reduction in the deficit and the other actions, we see inflation down, interest rates down, job creation up, personal income up. We see things moving in the right direction. Consumer confidence rose 18 percent in November. We've had 7 months of increased retail sales. Last month, people who were delinquent in their home mortgages were at their lowest level in 19 years. Over 5 million Americans have refinanced their homes. Millions of others have refinanced other debt. Manufacturing is expanding.

We are trying, in other words, to take care of our business in the Government so you can take care of your business: increasing productivity, creating jobs and incomes for the American people. When both of us do our part, the Government and the private sector, we're on our way to long-lasting economic growth.

Six years ago, the United States Government, in a previous administration, exercised the wisdom of establishing the Baldrige Award. In no time, because of the astounding success of its winners in taking care of their business, the award became a symbol of excellence and an inspiration for the rebirth of American competitiveness. For that, we owe a good deal to the legacy of the award's namesake. Until his untimely and tragic death in 1987, Commerce Secretary Malcolm Baldrige was a voice in urging Americans to focus on quality. His cause lives on through this award named for him. And we are honored very much to have his family here with us today.

The idea of quality took hold as American companies become more and more aware of the intense and growing competition from over-

seas and more and more clear in this country of ours, we could never hope to compete in America by lowering our cost of doing business, and particularly our labor costs, to the level of the poorest nations of the world. The challenge is clear: How do we learn from our competitors? How do we meet them head on? How do we learn from each other in every workplace in America? All these success stories have a common theme: Companies that listen to the needs of their customers and the ideas of their workers, companies that streamline their operations and adopt the idea of continuous improvement in products and services. It's management from the top down and from the bottom up, better known now as quality management.

Through the Baldrige Award and the principles of quality management it embraces, countless businesses have found new and stronger life. Beyond manufacturing, these principles are now beginning to be applied in fields like health care, education, and yes, believe it or not, even Government. By giving both employees and customers a say in how businesses are run, these businesses have built pride and productivity while improving management and product and services. Quality management is clearly a win-win formula. It helps businesses to do well, it beefs up our competitiveness around the world, and it helps to create jobs and to stabilize and increase incomes for our working people. This year's winners are outstanding examples of that.

I got my schooling in total quality management and what it can do when I was the Governor of my home State of Arkansas. That's when I got to know the people at Eastman Chemical Company. On several occasions I visited their plant in Batesville, Arkansas, and I used to tell a story on the campaign trail at home, walking into a room, seeing a guy—this plant is sort of out in the country—and seeing a guy working a computer wearing cowboy boots and one of those big rodeo championship belt buckles. If you're not from the rodeo country, you've never seen one, but if you've never seen one, the first time you see one, it looks like a silver dish you might give as a wedding present to someone. [Laughter] Anyway, I walked into this room, and this guy had his jeans and his boots on and his big rodeo belt buckle on, listening to country music, working a computer. And he launched into a much more eloquent speech than I had ever given about

the importance of raising the skills of American workers so we could provide for our families and our children and their future.

I also traveled to the headquarters of Eastman Chemical in Kingsport, Tennessee, for a closeup look at the progress they were making there. They were always a big help to me in implementing what I was trying to do at home. Indeed, Eastman Chemical loaned me one of their executives, Asa Whitaker, who worked to set up the Arkansas quality management program, which was the first State governmentwide program of its kind in the entire United States of America. Today that company is justifiably the large manufacturing winner of the Malcolm Baldrige National Quality Award for 1993.

It's a \$4 billion company with almost 18,000 employees in the manufacture of chemicals, fibers, and plastics for customers around the world. Under Ernest Davenport's leadership, the company has concentrated on teamwork aimed at quality management and a relentless effort to exceed customers' expectations. It's a strategy that works. For the last 4 years, more than 70 percent of its 7,000 customers have ranked Eastman as their number one supplier.

I say, also, that my experience with this company and the quality management work we did is one of the reasons that we decided to undertake the National Performance Review of the Federal Government, under the Vice President's leadership. And in that connection, I ask all of you to help us to achieve some of the systematic reforms that we are searching for that require some approval from the Congress, especially the reform of the personnel, the budgeting, and most importantly, the procurement systems of the Government. We could save a lot more money and increase our productivity if we were free to do that.

Chuck Roberts, the vice president of Ames Rubber Corporation of Hamburg, New Jersey, said there are probably more people in this auditorium today than all the people who work at Ames. Now, when I read this, I found myself up here when Ron Brown was speaking trying to count the number of people in the auditorium. [*Laughter*] Four hundred and fifty people work at Ames, and I think there are at least 100 more than that here today. But it's quality and not quantity that's being measured. Still, even with 450 employees, Ames is the largest manufacturer in the world of rollers for mid- to large-size copiers. It's the small business win-

ner of this year's Baldrige Award. At Ames, it's not unusual to find second- and third-generation employees with the company. The atmosphere is like family and like a team. Workers even call each other teammates. Every worker belongs to at least one of 40 company groups dedicated to quality improvement. The impact of these groups collectively has been dramatic. Since 1989, it's increased productivity by 48 percent. And in the last 5 years, teammate ideas have saved the company and its customers more than \$3 million. As a small producer in a large industry, Ames president and chief executive officer Joel Marvil, has made his company a model in applying quality management.

One thing that distinguishes these two companies is that both have expanded the idea of partnership between companies and suppliers, between workers and managers, even partnership with the environment. Both these companies have been industry leaders in environmental safety, and their success has further proved that the choice between growth and the environment is a false one. In the end, we must find a way to have both.

In our Nation, we know we have the brightest managers, the best workers, and the most advanced technologies. But we also have to prove that we can all put it together in ways that lead to increasing productivity, increasing jobs, and increasing incomes. I couldn't help thinking as I was reviewing the history of those of you who are winning this award today that if more American companies operated like you do, there would be much less anxiety when we have to make changes, like we did when we had to decide what to do about NAFTA, because a lot of opposition to NAFTA really had nothing to do with the terms of the agreement but instead had to do with the incredible anxiety that working people felt that their jobs and their incomes and their families weren't really all that important to their employers and that if there was some sort of short-term advantage to be gained by a company, even if it led to the long-term damage to their families, that the advantage would be chosen over the family.

When you look at the long-term productivity of the kinds of companies that are really proving that you can make good money in America by using new partnerships with your workers, you see a level of security and trust and almost fanatic devotion to the cause of the enterprise, that if we had it everywhere, it would be much

easier for America to take the steps we need to broaden our horizons, to reach out to other countries, to increase trade. So I thank you for that, and I hope other companies will follow your example because we need more people at work, happy, secure, and supporting the objectives that you have supported.

Make no mistake about it, the winners of the Baldrige Award have done a great service for America, and they have done a service that only the private sector can provide in this great capitalist economy. This is a free enterprise system. Government has responsibilities to set a framework, to promote growth policy, to do those things which cannot be done in the private sector. But in the end we rise or fall economi-

cally based on whether our system is working for the benefit of the people that labor in it day in and day out. And given the fact that so much of our security today and in the future is a question of our economic security and our ability to compete and win, I think it is nowhere near an overstatement to say that these two companies, Ames Rubber and Eastman Chemical, have done a great service not just to themselves, their employees, and their customers but to the United States. And we congratulate them today.

Thank you very much.

NOTE: The President spoke at 10:35 a.m. at the Mellon Auditorium.

Exchange With Reporters

December 14, 1993

Multilateral Trade Negotiations

Q. Mr. President, are you disappointed about audiovisuals in the GATT?

The President. Well, I'm disappointed we didn't get it resolved, but I sure wanted it out of there once I realized—I didn't want to settle for a bad deal. So we took it out, and now it will be subject to the ordinary trade rules. I think it's far better than accepting what was offered. And no one I knew, including the people in the audiovisual industry, thought it was worth bringing the whole thing down over. They just didn't want to get stuck with a bad deal. In other words, if we could get it out, which we did, as Americans, they want our country to benefit from these overall big reductions in tariffs. But they just didn't want to get trapped into something that wasn't good. So I think we're in pretty good shape.

Russia

Q. Mr. President, now that you have had another day to think about the Russian election results—

The President. Well, obviously—no, I haven't talked to anybody about my trip to Russia—any of our people. So I don't know what I'm going to do there. I think that it is—I'll say

just what I said yesterday—I think it was probably largely a protest vote. I think that when people are having a tough time and they have a tough time over a long period of years, they often look for simple answers. It's not unique to Russia. You can see that in many other democracies throughout the world and throughout history. It's not all that unusual. I don't think any of us expect to be giving up Alaska any time soon. But I think, there must be a lot of people in Russia who are extremely frustrated and have a high level of anger because they've been through a lot of tough times.

And the people running the multinational institutions that are trying to help these countries convert from old-line Communist, top-down, command-and-control economies to market economies need to be very sensitive to that. I think we need to ask ourselves not so much about him right now, but about what this means for democracy in Russia, in Poland, and in other republics of the former Soviet Union and the other countries of Eastern Europe. And I'll have more to say about that as we go along.

Q. Would you rule out—

The President. Look, I have talked to nobody about anything. I can't even comment on that. I have not discussed my trip. We have not—except in general terms with my own staff. We've been working on other things. I have