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Weekly Compilation of

Presidential Documents

Monday, February 8, 1993
Volume 29—Number 5
Pages 115–155

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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for $80.00 per year ($137.00 for mailing first class) and to foreign subscribers for $93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is $3.00 ($3.75 for foreign mailing).

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Remarks at a State Dinner for the Nation's Governors

January 31, 1993

You ever had the feeling you've been here before? [*Laughter*]

Governor and Mrs. Romer and distinguished Governors and spouses and our very special guests from around the Nation, Hillary and I are delighted to welcome all of you here to our first state dinner.

This is something that I have looked forward to for some time, and as I'm sure you know, I am delighted that this is the first official dinner we're having in the White House. I couldn't be more pleased to see you here.

Many of you were kind enough to come to the luncheon that I hosted, along with Hillary and Vice President Gore and Tipper, for all the Governors and former Governors with whom I had the honor to serve. And I would just like to say tonight on this occasion that I'm looking forward to getting to work with you tomorrow.

This country needs your involvement and your support to deal with the health care crisis, which is threatening to bankrupt many of you; to deal with the budget crisis, which is undermining the economic stability of every State in America; and to seize the opportunities that are out there.

The time I spent as a Governor and the time I spent working with you and those who preceded you was some of the best time I ever spent in my life. I look back on it with great pride and gratitude. And to all of you I say that I honor the work that you must do, and I look forward to being a real partner.

I'm delighted that you're here, and I hope you have a great time tonight as we move from the dinner into the entertainment. I want to say that I expect to have a special treat tonight for you in the entertainment. I think you'll all enjoy it very much.

But please know here that this house is your house, that I am well aware of the fact that I am just a temporary tenant, and that while here I intend to do my very best to be faithful to the lessons that I learned as a Governor, that most of what you do ought to be done by you and not by us. And I will try to be a good partner, and I hope you will be mine, as we get this country to face its problems and seize its promise.

I now propose a toast to the Governors and their spouses, friends and family members.

NOTE: The President spoke at 9:13 p.m. in the State Dining Room at the White House.

Remarks in a Telephone Conversation With the Super Bowl Champion Dallas Cowboys

January 31, 1993

The President. Jerry?

Mr. Jones. Mr. President.

The President. How are you doing, man?

Mr. Jones. Bill, I'm telling you, I appreciate this call so much.

The President. Congratulations.

Mr. Jones. Thank you.

The President. I'll tell you what, this is a lot bigger deal at home than me getting elected President. [*Laughter*]

Mr. Jones. I'll tell you this right now, you were an inspiration to us.

The President. Great.

Mr. Jones. I saw how to get out on a knee and come back up swinging.

The President. Thanks, man. This is great.

Mr. Jones. Well, I really appreciate this call. And I've got Jimmy standing by me.

The President. Thanks. I've got somebody who wants to say hi to you, and then I want to talk to Jimmy.

Mr. Jones. Okay, fine.

Governor Richards. Jerry, it's Ann Richards. Listen, I got to watch the ball game in the White House with Mario Cuomo.

Mr. Jones. Ann, you are wonderful for calling us.

Governor Richards. It was absolutely wonderful. And let me tell you, we gave him the hardest time in the world.

Mr. Jones. Well, you've answered my question: you didn't go easy on him then, did you?

Governor Richards. No, darlin', we did not let our foot off his neck.

Mr. Jones. Did you tell him you hadn't been to one we lost? [*Laughter*]

Governor Richards. Here's the President. We're so proud of you. You tell Emmitt Smith that he's number one for me.

Mr. Jones. Thank you, Governor. Thank you.

Hey, Mr. President.

The President. Yes, yes.

Mr. Jones. Thank you so much for calling. I can't tell you what it means.

The President. Thanks, Jerry.

Mr. Jones. And here's Jimmy. Here's Jimmy.

Mr. Johnson. Hello, Mr. President.

The President. Jimmy, how are you doing? Congratulations.

Mr. Johnson. Well, thank you. I think you understand how much we put into this thing and where we are. I'll tell you, it's a great feeling for all of our guys.

The President. Well, you've come a long way in a short time and with a lot of courage. And I'll tell you, I watched your team all year long just basically wear everybody down by hanging in there, and it was amazing what you did.

Mr. Johnson. Well, you know a little bit about perseverance yourself, so I understand.

The President. Well, I really admire what you did. And this is a great night for you, and I want you to get back to your players. I just wanted to say hello and we're proud of you.

Mr. Johnson. Thank you a lot, Mr. President.

The President. Goodbye, Jimmy.

NOTE: The President spoke at 9:59 p.m. from the State Floor at the White House. Jerry Jones is the owner and Jimmy Johnson is the head coach for the Dallas Cowboys.

Remarks Following Entertainment at a State Dinner for the Nation's Governors

January 31, 1993

The President. Ladies and gentlemen, first I think we ought to acknowledge the musicians: Peter Howard, John Beal, Martin Erskine, John Redsecker, and Wally Harper. Let's give them—[*applause*]. I'd also like to thank the people who put this wonderful program together: Marty Bell, Beverly Camhe, Phyllis Newman, and my good friend Barbara Handman, who's here with her husband, Len, tonight; and his daughter and son-in-law have been so instrumental in our political life, Harold Ickes and Laura Handman. Let's give all of them a hand. [*Applause*] I want to thank Ms. Handman and Ms. Newman, in particular, for writing this; and for Peter Howard for his musical direction tonight.

And now let me say that I hope that we can take good care of this house, but this house will always be a house of America's family. I don't want to embarrass Phyllis, but Phyllis and her husband, Adolph Green, who sang a little tonight—stand up—[*applause*]—they're celebrating their 33d wedding anniversary. As you can see, he had to get not only her parents' permission but the law's as well to marry her. [*Laughter*]

Ms. Newman. That's the nicest thing you've said. [*Laughter*]

The President. I understand that this is Governor Dean's wedding anniversary tonight, too. And I want to acknowledge that. This is Governor Mickelson's birthday. This is also a very important birthday: Tonight is Carol Channing's birthday.

I want all of us to sing "Happy Birthday" to her in just a moment, but I want to tell you that she performed here with George Burns for President and Mrs. Kennedy; she performed here when President Johnson was here. She made President Nixon's hate list, so she didn't perform—[*laughter*].

We all knew about her in "Hello Dolly" and "Gentlemen Prefer Blondes," where she immortalized that song that you heard about being a little girl from Little Rock. I wish she had been.

I'd like to ask us all now to stand and sing "Happy Birthday" to her. George, you come up here to lead.

NOTE: The President spoke at 11:45 p.m. in the State Dining Room at the White House. A tape was not available for verification of the content of these remarks.

Remarks Following a Meeting With the Nation's Governors

February 1, 1993

The President. Well, I want to say good morning to the members of the press who are here from Washington and many of you from around the Nation.

I'd like to read a statement and then call on the Governors, Romer and Campbell, to make a statement about the meeting we had here today and the actions which I will take today as a result of this meeting and the work that I have been doing over the last couple of months.

The day before my Inauguration, on one of the last days people called me Governor, I had lunch with many of the Governors here and many others with whom I have served over the past 14 years. I pledged to them a partnership between the country's Governors and this administration, rooted in our common experience on the front lines of people's lives.

I've told my friends, my colleagues, that the one thing I hoped that I could actually demand from them was a commitment to keep me rooted in that common experience and the real problems of real people. The White House, after all, only works when it is the people's house.

Today we have continued our partnership in earnest. We agreed to challenge together the one obstacle that could keep us from success in virtually every arena of national endeavor: the twin monsters of spiraling health care costs and the agony of having no access to health care, no health care coverage, or living in fear of losing it.

Left unaddressed, the health care crisis has had devastating impacts on families, businesses, the fiscal conditions of State and local government, and the economic performance of the United States. For 12 years our national Government has ignored the problem, partisan gridlock has prevented action, and Americans are paying the price. The amount we spend on health care has more than tripled. Now we spend far more than any other nation on Earth, about 30 percent more of our income, and we get less for it.

We send American companies out into the world with this 30 percent handicap simply because of high health care costs. The average American car alone includes over $1,000 in health care costs, twice as much as its Japanese competitor. You know as well as I do that the real people of this country are paying the price: working families who live in fear of losing their insurance; small businesses who have to choose between dropping coverage or going broke; State and local governments who have to balance their books every year and are now choosing between cutting education, raising taxes, or cutting other needed investments just to pay more for the same health care bills.

If every person striving to overcome this challenge will bring to that work the same depth of drive and determination that our Nation's Governors have brought here to the White House today with their policy position, the American people will have the commitment it takes to solve this problem.

This meeting was a model of everything I want my relationship with our Governors to be. It wasn't scripted or staged. It was simply an honest discussion where real work was done, real opinions were argued and a room filled with women and men who left their partisan banners outside the door. And in that spirit and what I hope is the first of a series of announcements we will make together, I want to announce that I am taking the following steps to help them meet the health care needs of their people in their States.

For years the Nation's Governors have been arguing that the process through which waivers from the Medicaid mandates im-

posed on them by the Federal Government is Byzantine and counterproductive. They are right. I have today directed the Department of Health and Human Services and its health care financing agency to take immediately a series of actions designed to streamline the Medicaid waiver process to enable the States of our country to serve more people at lower costs. These include a requirement that from now on the health care financing agency and its regional centers will have only one opportunity to ask for additional information and clarifications on States' waiver requests. I also want the health care financing agency to examine the development of a list of standard initiatives for automatic approval for State action.

In consultation with the National Governors' Association, I want a rapid review of the entire waiver request process that produces a list of additional streamlining recommendations within 60 days. And I am directing the health care financing agency to reopen negotiations with the National Governors' Association to issue new regulations related to how they can use provider taxes and disproportionate share reimbursement to meet the needs of the people in their State.

Finally, I am directing the Department of Health and Human Services to conduct a similar review of the non-Medicaid waiver submissions not addressed in the matters I have just discussed.

I'm also happy to announce that Hillary and the leadership of the National Governors' Association have agreed on a formal process for the Governors to have input into the Health Care Task Force. Their input, their advice, their perspective is essential to our success. When all this is said and done, the health care problems of this country can only be met if we have a good partnership.

And for those of you in the press and the general public who may not understand all the language that I have used about Medicaid and waivers, if I could put it in simple terms, it amounts to this: The Federal Government requires the States to provide a certain number of health services in a certain way to people who are poor enough to qualify for Medicaid. The States very often believe that they can provide more services at lower cost if we don't impose our rules and regulations on them.

For years and years and years, Governors have been screaming for relief from the cumbersome process by which the Federal Government has micromanaged the health care system affecting poor Americans. We are going to try to give them that relief so that for lower costs we can do more good for more people. This will be one big step on a long road to giving this country the kind of health care system it needs.

Governor Romer.

Governor Romer. We have had a very fruitful over 2 hours of discussion. And I speak for both Republican and Democratic Governors and the two Independents when I say that this issue of flexibility on the waiver process has been critical to us, and the prompt response of this administration to give us more flexibility, give us more certainty, give us quicker deadlines will simply help us to do our job better.

Now, in addition to the short-term measures, we've had some extensive discussion about what kind of long-term health care reform we need to do together. There is an acknowledgement it has to be a partnership between the Federal and the State government. There's an acknowledgement that we have made a good start; the Governors' Association will have on its agenda in the next few hours some measures relating to cooperation with this administration on managed care. And if you have further questions about that, we'll be available out on the lawn very shortly.

And I want to say in closing that we've had a very strong bipartisan approach in the Governors' Association. And I want to compliment Governor Campbell and his colleagues for working with the Democrats in the Governors' Association and this administration. We know that we need to solve this problem on a bipartisan basis, and I think we made a very good start here this morning.

Thank you.

Governor Campbell. Mr. President, we appreciate the opportunity to work with you in a bipartisan sense to find an answer to some of the problems that are really driving the States' costs to the point that we cannot fund the programs that we need to fund. The

cost shifting away from such important items as education to fund rising medical costs are, of course, driving all of our States.

We all realize that it is a difficult program and, quite frankly, that it probably cannot be solved in short order. But we're willing to roll up our sleeves and go to work with you and try to find those answers. We recognize the need to get the small employers into a position that they have access to groups and lower cost insurance for their employees. We recognize the need to go into preventive care. We know that there is a problem with the preventive care aspect in that the liability costs and the cost of doing this in the private sector are, in fact, prohibitive.

I would think that after our discussion, the opportunity may exist for us to look at the immunization side of preventive care from a joint national framework in order to meet some of these needs, much as we would do if we did a crash program for any country that was in need that we were aiding, doing it for ourselves.

I believe that working together we can, in fact, find some answers. We know that there has to be competition. We believe in managed competition. We also believe that there has to be a structure that lets people have access to primary care physicians instead of just the emergency rooms for their care because of the cost factor, as well as the fact that it's not a preventive type of program.

So we, as members of the National Governors' Association, look forward to continuing this work with you and continuing to work with Hillary and her task force, because we think that working together that we will find answers.

And in closing, let me just add my thanks to your willingness to expedite the waiver process and to deal with some of the problems that have been so vexing for us as Governors as we've tried to deal with this overall problem. We appreciate it.

The President. That's our statement. I know a lot of you here want to take pictures of your Governors, so have at it.

Governor King, of all of the people of America, they know you from behind as well as from the front, but turn around. I think you ought to turn around. How about giving them a profile, at least, that sort of tough western profile? [*Laughter*]

Thank you all very much.

NOTE: The President spoke at 11:23 a.m. in the East Room at the White House.

Statement on Revocation of Certain Executive Orders Concerning Federal Contracting

February 1, 1993

Today I am taking two actions to restore a needed balance in America's workplace. I believe that these steps, by reducing unnecessary Federal Government intrusion into workplace relations, ultimately will promote the shared goals of American workers and management and strengthen the ability of this country's businesses and industry to compete in the world economy.

First, I am revoking Executive Order No. 12818. This order, issued on October 23, 1992 by President Bush, prohibits contractors that have entered into project agreements with unions from bidding on Federal construction contracts. American taxpayers and the Federal Government are not well-served by this restriction. Such agreements establish labor standards for work early in the process. They reduce instances of cost overruns by permitting contract bidders to make more reliable cost estimates before bidding. They promote completion of projects in a timely manner by assuring a stable supply of skilled workers. And they promote safe working conditions. By revoking Executive Order No. 12818 today, such project agreements will again be allowed in Federal construction contracts.

Second, I am revoking Executive Order No. 12800, issued on April 13, 1992. This order required unionized Federal contractors to post a notice in the workplace that

workers are not required to join or support a union and threatened sanctions against contractors who did not comply. The effect of this order was distinctly antiunion as it did not require contractors to notify workers of any of their other rights protected by the National Labor Relations Act, such as the right to organize and bargain collectively. By revoking this order, I today end the Government's role in promoting this one-sided version of workplace rights.

William J. Clinton

The White House,
February 1, 1993.

Executive Order 12836—Revocation of Certain Executive Orders Concerning Federal Contracting

February 1, 1993

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to eliminate Executive orders that do not serve the public interest, it is hereby ordered as follows:

Section 1. Executive Order No. 12818 of October 23, 1992 (prohibiting the use of project agreements on Federal construction contracts), and Executive Order No. 12800 of April 13, 1992 (requiring Federal contractors to post a notice that workers are not required to join unions), are revoked.

Sec. 2. The heads of executive agencies shall promptly revoke any orders, rules, or regulations implementing Executive Order No. 12818 of October 23, 1992, or Executive Order No. 12800 of April 13, 1992, to the extent consistent with law.

William J. Clinton

The White House,
February 1, 1993.

[Filed with the Office of the Federal Register, 11:29 a.m., February 2, 1993]

NOTE: This Executive order was published in the Federal Register on February 3.

Message on National African-American History Month

February 1, 1993

This February we rediscover, celebrate, and honor the history and achievements of African-Americans during National African-American History Month.

In 1993, I am proud to recognize that more African-Americans serve in the President's Cabinet than ever before in the history of our country. We are nearing the day when we will have built a new home for America, a home where all Americans will have a place at the table.

Understanding our past makes us aware of how far we have come and how far we have to go. Last month, for the first time in many years, our National Archives displayed for the public the Emancipation Proclamation. That document, signed by President Abraham Lincoln on January 1, 1863, launched the beginning of a life of freedom for millions of African-American people.

For several months last year, individuals and groups of citizens had been writing to the National Archives to inquire whether the historic document would be exhibited over the new year holiday in honor of its anniversary. After considering the matter, the National Archives decided to arrange an exhibit.

The fragile document was shown in our Nation's Capital for five days adjacent to the original Charters of Freedom—the Declaration of Independence, the Constitution of the United States, and the Bill of Rights. The exhibit reminded America of how liberty had once been denied to a particular segment of our population. The diverse backgrounds of the people in those lines each day, however, showed how the history of African-Americans touches all of us.

The public response was overwhelming. People came from all walks of life, with their children or their friends, from every corner of our country, to see for themselves the pieces of paper that meant for millions the difference between slavery and freedom. Each night at closing time, the National Archives had to extend the visiting hours to accommodate people who had waited in line for nearly three hours. Indeed, the efforts of the few citizens that gave birth to the ex-

hibit brought to life for thousands the story of freedom in America.

I invite all Americans to rediscover that story and others as our Nation observes National African-American History Month.

William J. Clinton

Nomination of Kenneth D. Brody To Be President and Chairman of the Export-Import Bank of the United States

February 1, 1993

President Clinton today announced his intention to nominate Kenneth D. Brody as President and Chairman of the Export-Import Bank of the United States.

Mr. Brody is an investment banker with substantial international financing experience. He was a member of Goldman, Sachs & Co. from 1971 to 1991, where he was elected partner in 1978 and member of the management committee in 1990. Currently he is a limited partner with the firm. He co-headed the merchant banking group, headed the real estate group, founded and headed the high-technology group, and engaged in a wide range of investment banking activities. His international experience began in 1972 and, in addition to many international financings, includes managing two global businesses for Goldman, Sachs, and advising the Mexican Government on the privatization of their telephone company. He holds an MBA from the Harvard Business School.

"I'm very pleased to make this announcement today," said President Clinton. "Having someone with Ken Brody's experience and knowledge at the helm of the Export-Import Bank will help to ensure the orderly flow of trade and the promotion of American exports, a vital part of our Nation's economy."

The Export-Import Bank of the United States facilitates and aids in financing exports of U.S. goods and services. The bank has implemented a variety of programs to meet the needs of the U.S. exporting community. These programs take the form of direct lending or the issuance of guarantees and insurance so that exporters and private banks can extend appropriate financing without taking undue risks.

Remarks at the Democratic Governors' Association Dinner

February 1, 1993

Thank you very much, Governor Walters. And thank you, ladies and gentlemen, for that wonderful welcome.

I am full of gratitude tonight as I remember that just a year ago when I was at this banquet, I came in from the cold of New Hampshire, cold in more ways than one—[*laughter*]—and received from the leadership of this organization a white scarf, which I wore for the remainder of the campaign in New Hampshire to stay warm, a cap which I still have, and a renewed sense that the battle in which I was engaged was worth the effort.

I want to thank every one of you who had anything to do with that. I noticed in the audience tonight the Secretary of Commerce, Ron Brown, who did such a brilliant job as the head of our party and keeping us going; representatives of many groups, teachers, working people, and others out here in this audience, that have worked so hard to give us a chance to put our children first in this country again; and many others who raised money, knocked on doors, and walked along roads.

I want to pay a particular tribute tonight to my good friend the Governor of Hawaii, not only for his leadership as the chair of the Democratic Governors' Association but for being my friend and supporter and for giving us a model of what an aggressive, active Democratic leader ought to be.

Under John's leadership, the Democratic Governors' Association had one of its busiest and most successful years. There are now two more Democratic Governors. The DGA worked closely with our campaign, and largely as a result of that teamwork we won 8 of the 12 races in which we were engaged last year, the best showing by the Democratic Governors since 1982 when I, as the youngest ex-Governor in the history of America, made my comeback. [*Laughter*] Now we

have Democratic Governors in 30 of the 50 States, our best margin since 1985.

I've also been impressed by John's extraordinary political leadership in Hawaii. When he was supporting me in the primary campaign last year, I kept angling for an invitation to Hawaii. I kept saying, ''You know, I need to carry Hawaii. I haven't carried any western States. Don't you think I ought to show up out there?'' And he said, ''If I can't carry Hawaii for you without your presence, I shouldn't be the Governor out here.'' And sure enough, we did. I think it has something to do with his native Hawaiian heritage. We were playing golf once together in Hawaii, John and I, and we played on a course on which there were no sand traps; there were only lava flows—[*laughter*]—so that the ball simply disappeared, never to be seen again. And we both hit long drives that sliced slightly into the lava flows. Mine disappeared; his hit a rock and bounced into the middle of the fairway. He informed me that his ancestors, who included King Kamehameha, who united the Hawaiian Islands, believed in a form of ancestor worship. And now, surely I can see the ultimate truth of his faith. Anyway, I think John and Lynne are great, and I hope that they will have many more years in public service. This country would be a lot better off if that happens.

I also want to salute the new chair of the DGA, my friend David Walters from Oklahoma. He and Rhonda were among those who were in the snows of New Hampshire with me. I told them the other day when I saw them that I just looked at a picture of us a year ago; here we are now in Washington celebrating a new inauguration. A year ago, I have a picture of us with Mike Sullivan; the former Governor of Vermont, Madeleine Kunin; and the former Governor of Michigan, Jim Blanchard, standing at the Super 8 Motel in Manchester. [*Laughter*] And it's a great commentary on how we get things done in this country. I think David Walters and Ann Richards will be a great team; that is, if Ann Richards is not too boastful about the Super Bowl victory last night. [*Laughter*]

I remember last fall when the Democratic Governors joined me in a western fly-around and a campaign we called ''Winning the West.'' Most people thought the Democrats had no chance in the West. We traveled to seven States and won six, in no small measure because of the inordinate support that the western Democratic Governors gave the Clinton-Gore campaign.

Democratic Governors from the South participated—clap, Governor Roberts. That's good. You can clap for yourself. Democratic Governors in the South participated in a fly-around campaign for me in a region in which we invested relatively small amounts of money. They went to six States, and for the first time in 12 years we carried three of them.

As someone who answered to the term ''Governor'' until just 12 days ago, I'm proud to be here with the men and women who have been my friends and colleagues in the struggle to deal with the legacy of the 1980's, people who deal with the real problems of real people, who can't make excuses or print money when there's no money there, who struggle with health care and welfare and jobs and education and the ways that national economic trends and international development actually touch people's lives for good or ill.

As you and I learned from the elections last year, the American people want their political system and their Government to end gridlock, to face problems, and to make progress. They're tired of a process that's been too divided by partisanship or dominated by special interests or driven by short-term advantage of politicians instead of the long-term interests of people. They sent us to the statehouse and the White House to change America. And they want action now. That is our mandate, and we must never forget it.

We have a chance to create a new Democratic majority in this country, rooted in the experience of governing and living. But we must never forget some basic things. First of all, we have to do this together: the Congress and the President, the States and the communities and the National Government.

I see in the audience a person who ran for President last year and turned out to be the best supporter I ever had in the Presidential campaign, Senator Tom Harkin from Iowa, and I want to thank him. After a tough primary campaign, when he began to work

for me, even in the primary when it was still going, I realized that he had gotten into this race for the same reason I had: He believed that we had to change this country. And the changes were more important than him or me or anybody else. Well, I still believe that. And if we remember that, we can succeed.

I think that you might be interested to know that there were some surveys conducted after the Inaugural week. After the television ratings turned out to be very high and there were huge crowds at all the events, the people had watched the gala all over America, and they'd watched that magnificent service at the Lincoln Memorial, and they'd watched our church service, and 800,000 people showed up at the Inaugural. And you know what people in America remembered most about the Inaugural week? That on the day after the Inauguration, we opened the White House to ordinary Americans. That is what registered out in the country.

I say that because somehow we've all got to find a way to remember every day that the people who can't come to these dinners are the people we hold these dinners for. We also have to remember we got elected to try a new approach, to expand opportunity, not Government, to increase investment, and to show literally that we can reinvent Government.

I was amazed, you know, the other crowd had the White House for 12 years, and they have presented themselves as a businesslike and modern, you know, and tried to make the Democrats look like yesterday's crowd. Well, when I got to the White House, guess what I found? Same phone system Jimmy Carter had—[*laughter*]—with technology that was put in during Kennedy's time and changed only to put pushbuttons instead of dials. No E-Mail, no conference calls, but anybody could pick up the button I was talking on anywhere in the White House and listen in on the conversation. [*Laughter*] So we could have the conference call we didn't want, but we couldn't have the one we did.

People said last week, "Well, you know, when you're going to do controversial things, you need to gin up your operation again and send the talking points out and communicate with people." There's not even any E-Mail. It's a yesterday place, and we need to make it a tomorrow place.

I also want you to know that two of my Cabinet members have already met with every employee in their Departments, in their national headquarters. And we're told, both of them, that they were the first Secretaries in 12 years to meet with all their employees in their Departments.

The leadership of one of our Cabinet agencies abolished the executive dining room and saved $125,000 or $150,000 and brought the career employees up to the executive suite, and there were people who worked there for 25 years and had never seen where the bosses work. We are going to change the culture of the way this Federal Government works. We are going to reinvent it, and we're going to make it work again.

We are going to try to do what our adversaries always talked about, and that is to empower people, not entitle them. Whether it's welfare or trade or industrial policy or technology policy, what the American people want is a hand up, not a handout, and we're going to give it to them, if we can get the kind of support we need across the country to support these changes.

And most importantly, we're going to try to recreate a sense of partnership and community in America again, an America in which we don't have a person to waste. I believe as strongly as I can say that if we could create in this country a feeling burning in the heart of every American, that it was simply unacceptable to let one life go that could be saved, we could solve virtually every problem we have. Because if you look at every place where the system has broken down, the manifestation of that breakdown is somebody's life that is less than it ought to be. These children being shot in the streets—we're in Somalia, debating how we can keep peace in Somalia when the mortality rate is greater in some neighborhoods in the United States of America.

The immunization initiative that you've read about that we're going to be announcing in the next few days, you know, we were actually criticized in a story in the New York Times, the idea that the National Government might use its purchasing power to buy enough immunization vaccines to immunize

all the kids in the country. And people say, well, that would be bad if we did that; it would be better if we don't and we'd let these kids get sick.

All the factory workers in this country that are losing their jobs because we have no real strategy to create jobs, let me just say in parentheses here: As Democrats, we ought not ever forget that there is a big difference between economic measurements of progress and whether that progress is manifested in the real lives of people.

In the 1980's, the stock market tripled, but the Fortune 500 companies reduced employment. And the difference was made up by small business. So we can have a strong economy on the surface where the stock market is booming, but if small-business people can't get bank loans at the local bank, jobs won't be created for all these people that are losing their big employee jobs. And we have to remember things like that. With all this so-called economic recovery of the last 6 months, we're not creating jobs yet. And we've got to find a way to put people back to work. That is the ultimate and first test of whether life is working in America.

Finally, let me reiterate a line that I borrowed from President Roosevelt for the Inaugural speech. We learned in the 1980's that we had to be about bold, persistent experimentation. That is what I want to try to convince Congress and the country we ought to do. It means that we will try some things that will not work. And when we do, we have to have the courage to quit.

One of the weaknesses of our Government is that when we start something that doesn't work, or whether we start something that does, we keep on doing it. We have to have the courage to experiment, to try, to stop, to start again. I am convinced that if we do that, we can deal with the health care crisis; we can deal with the deficit; we can deal with all these problems, but ultimately, we can change the shape of people's lives. And if I might say—I know that it defies the momentary conventional wisdom—I think we're off to a pretty good start.

The United States Congress in the next few days—maybe both Houses after the recess—will pass the new budget for the National Institutes of Health. And now we'll be able to go back to doing research, including fetal tissue, that offers great progress in dealing with children with diabetes and Parkinson's and Alzheimer's and other problems. I think that is progress.

The United States Senate was good enough to confront every one of my Cabinet members, save one, on the day after I became President, the first time in longer than a generation that that had happened. And I did get into a controversy. But you know something? If you just want me to do things that are easy, you should have elected somebody else President.

When we deal with things that are hard, there ought to be debate. There ought to be discussion. People ought to say they disagree. They ought to call the White House and jam the phone lines. And by the way, there's a 1964 switchboard in the White House. That's one reason that the phone lines are jammed.

But I'm just telling you, I think this is exciting. We need to shake things up. We need to have a debate in this country again. We need to do things and talk about things, get them out and let people argue.

I think together we can do what we were hired to do. But remember: I think we are about the business of creating a new Democratic majority if, but only if, we go to where the people are, lift them up, bring them with us, and change their lives. That requires a decent attention to the opinions of Republicans who want to help in change, too. And most importantly, a passionate determination never to forget that there is a real reason that most Americans remembered: 2,000 of their number who won a lottery to come to the White House. They haven't felt like it was their house in a long time. You help me give it back to them, and we'll have a bright future.

Thank you, and God bless you all.

NOTE: The President spoke at 9:21 p.m. at the National Building Museum. In his remarks, he referred to Gov. Michael J. Sullivan of Wyoming and Gov. Ann Richards of Texas. A tape was not available for verification of the content of these remarks.

Remarks to the National Governors' Association

February 2, 1993

Thank you very much. Thank you very much, Governor Romer, ladies and gentlemen. I felt pretty good sitting at that table although that's my real place over there. [*Laughter*] We had a wonderful meeting yesterday, I thought, for a long time, maybe the longest time a President has ever met with a group of Governors, but we were discussing a terribly important issue: health care. And then we also got to discuss the deficit crisis and the budget problems a little bit.

I wanted to come here today, as you prepare to leave, to once again reaffirm my commitment to working in partnership with the Governors. You deal with real people in a more immediate way than, unfortunately, the President often gets to do. When I was a Governor, every day I would hear directly from people or see people who had suffered from layoffs or had their businesses closed down or who were afraid of losing their health coverage or who desperately wanted to improve their schools.

As you and I learned from last year's elections, the only pattern was not a partisan one. It was a pattern of determination on the part of the American people to have their political system and their Government address their real concerns. They don't want our process divided by partisanship or dominated by special interest or driven by short-term advantage. They know things that have too often been forgotten here over the last dozen years. The values that are central to our country's character must be central to our Government: work, family, faith, opportunity, responsibility, and community.

What I appreciated about this meeting is that no matter what our region or our party, we've always gotten together and tried to pay serious attention to our problems. I think the Governors have exemplified for the last dozen years the bold, persistent experimentation that President Roosevelt called for at the beginning of the Great Depression when he took office. And I'm here to tell you that I'm going to do everything I can to work with you in partnership to share ideas and resources and energy to try to do what we can to move this country forward.

As we discussed health care, economic policy, and the deficit yesterday, I'd like to spend just a few moments today talking about something that many of us have been working on since the middle 1980's, the issue of welfare reform.

I've often spoken with many of you about the need to end welfare as we know it, to make it a program that supports people who have fallen on hard times or who have difficulties that can be overcome, but eventually and ultimately, a program that helps people to get on their feet through health care, child care, job training, and ultimately a productive job.

No one likes the welfare system as it currently exists, least of all the people who are on it. The taxpayers, the social service employees themselves don't think much of it either. Most people on welfare are yearning for another alternative, aching for the chance to move from dependence to dignity. And we owe it to them to give them that chance.

In the middle 1980's, when I was a Governor here, I worked with Governor Castle, now a Member of the Congress—he and Governor Carper changed jobs, and in 6 months they're going to have a vote to see who won and who lost—[*laughter*]—to try to work with the Congress to develop a national welfare reform program. With the support of people in the House and the Senate, with the particular help of Senator Moynihan, now the chairman of the Senate Finance Committee, and with the support of the White House, the Governors had an unprecedented role in writing the Family Support Act of 1988, which President Reagan signed into law shortly before he left office, and which Senator Moynihan said was the most significant piece of social reform in this area in the last generation.

The Family Support Act embodies a principle which I believe is the basis of an emerging consensus among people without regard to party or without regard to their traditional political philosophies. We must provide people on welfare with more opportunities for job training, with the assurance that they will receive the health care and child care they need when they go to work, and with all the

opportunities they need to become self-sufficient. But then we have to ask them to make the most of these opportunities and to take a job.

As all of you know, the States never had the chance to fully implement the Welfare Reform Act of 1988 for two reasons: first, because over the last 4 years the welfare rolls have exploded everywhere and health care costs have gone up as the job market has declined and the economy has grown at the slowest rate in half a century; secondly, because of the economic problems, Government revenues have been down and the Congress and the administration were never able to fully fund the education and training portion of the act. This was clearly manifested not only in the growth of welfare rolls but in the fact that last year, for the first time since the program began, 1 in 10 Americans were on food stamps. So as the weak economy left millions of more in poverty, and the welfare rolls increased 5 times greater during the last 4 years than under the previous two administrations combined, it made it more difficult to make welfare reform work.

In spite of that, I think it would be a great mistake to conclude that that act was of no significance or that nothing good has occurred. Bipartisan efforts in State after State from New Jersey to Georgia, to Wisconsin, and many others all across the country, have resulted in innovative approaches to help move people off welfare rolls and onto payrolls.

In our State, through the program we call Project Success, more than 17,000 people moved from welfare to work. And more importantly, at a time when the rolls were exploding, our rolls grew much more slowly than the national average. Many of you have your own successes to report, and I had the opportunity to visit in many of the States, here represented, projects that were terribly impressive to me.

I say this to make the following point: The bill that is on the books will work, given the right economy and the right kind of support systems, but we need to do more than fully implement it; we need to do that and go beyond.

I salute you for forming a State officials advisory group on welfare reform with Governors and legislators and health and welfare directors from 10 States. I want to tell you today that within the next 10 days I will announce a welfare reform group to work with you. I will ask top officials from the White House, the Health and Human Services, and other agencies involved to sit down with Governors and congressional leaders and develop a welfare reform plan that will work. I have asked the best people in the Nation on this subject to come and help me do this.

The day I took office I promised the American people I would fight for more opportunity for all and demand more responsibility from all. And that is a commitment I am determined to keep, with your help, by putting an end to welfare as we know it.

Our working group will learn from and work with State officials, business and labor folks, and leaders from every walk of life who care about this issue. On welfare reform, as on health care reform, there are no top-down, made-in-Washington solutions that will work for everyone. The problems and the progress are to be found in the communities of this country.

But I do want to tell you the principles this morning that will guide my administration as we work with you to reform welfare. First, welfare should be a second chance, not a way of life. I want to give people on welfare the education and training and the opportunities they need to become self-sufficient. To make sure they can do it after they go to work, they must still have access to health care and to child care. So many people stay on welfare not because of the checks. The benefit levels, as many of you know, in real dollar terms, are lower than they were 20 years ago. They do it solely because they do not want to put their children at risk of losing health care or because they do not have the money to pay for child care out of the meager wages they can earn coming from a low education base. We have got to deal with that.

I believe 2 years after a training program is completed, you have to ask people to take a job ultimately, either in the private sector or in public service. There must be, in addition to the full implementation of the welfare reform act of 1988, in my opinion, a time-certain beyond which people don't draw a check for doing nothing when they can do

something. And there is a lot of work out there to be done.

Senator Boren and Senator Wofford have offered a bill to try to recreate on a very limited basis a pilot project that would take the best of what was done with the work programs of the thirties and try to throw them into the context of the nineties. We must begin now to plan for a time when people will ultimately be able to work for the check they get, whether the check comes from a private employer or from the United States taxpayers.

Today, about half the people on welfare are just the people welfare was meant to help. They fall on hard times, and they have to have public assistance. They're eager to move on with their lives. And after 5 or 6 months or 8 months they're right back at work again, struggling to make their way in the American way. About half the people on welfare stay on for over 2 years. But one in four persons, the people that we really need to try to help to break the cycle that is gripping their children and grandchildren, about one in four stays a recipient for 8 years or longer. Those are the folks that Governor Wilder I know is now working on, that many of you have tried to address the problems of, and I want to help you with that.

Second, we need to make work pay. We have to make sure that every American who works full-time, with a child in the home, does not live in poverty. If there is dignity in all work, there must be dignity for every worker. Therefore, I will propose an expansion in the earned-income tax credit which supplements the income of the working poor.

We can do that. We ought to be able to lift people who work 40 hours a week, with kids in their home, out of poverty. And we will remove the incentive for staying in poverty. It will be much less expensive than to have Government direct supplements to pay people to remain idle. And it will reinforce the work ethic. If we can do that and at the same time do what we discussed yesterday, control health care costs and expand coverage so that no one has to stay on welfare just to take care of their children's medical needs, I think you will see a dramatic breakthrough in our efforts to liberate people from their dependency.

Third, we need tougher child support enforcement. An estimated 15 million children have parents who could pay child support but don't. We need to make sure that they do. Parents owe billions of dollars in child support that is unpaid, money that could go a long way toward cutting the welfare rolls and lifting single parents out of poverty and money that could go a long way toward helping us control Government expenditures and reducing that debt. We're going to toughen child support enforcement by creating a national databank to track down deadbeat parents, by having the States go as far as they possibly can to establish paternity at the hospital when children are born, and if I can prevail up here, by using the IRS to collect unpaid support in seriously delinquent cases. I've said it before because it's the simple truth: Governments don't raise children, people do. And even people who aren't around ought to do their part to raise the children they bring into this world.

Fourth, we need to encourage experimentation in the States. I will say again what you know so well: There are many promising initiatives right now at the State and local level, and we will work with you to encourage that kind of experimentation. I do not want the Federal Government, in pushing welfare reforms based on these general principles, to rob you of the ability to do more, to do different things. And I want to try to flesh out a little bit of the idea we discussed yesterday about the waivers. My view is that we ought to give you more elbow room to experiment.

I know I was perplexed during the recent campaign when I tried to make a statement that some people in the press said reflected waffling, and it seemed to me to express the real genius of the federal system. I said that if I were President I would approve waivers of experiments that I did not necessarily agree with. And they said, "You're trying to have it both ways." I said, "No, I'm not. I'm trying to honor the Founding Fathers." If we didn't disagree on anything, what would be the need for experiments? That is the nature of the experiment, is that one person has an idea different from another person.

So I will encourage all of us to work together to try things that are different. And the only thing I want to ask you in return

is, let us measure these experiments and let us measure them honestly, so that if they work, we can make them the rule, we can all adopt things that work. And if they don't, we can stop and try something else. That's the only thing I ask of you. If we say, okay, we're going to have more waivers and you're going to be able to experiment in projects that use Federal dollars, let's measure the experiment, let's be honest about it. And if it works, let's tell everybody it works so we can all do it. And if it doesn't, let's have the courage to quit and admit it didn't.

I think all of us want what most people on welfare want, a country that gives you a hand up, not a handout. We don't have a person to waste. We need the talent, the energy, the skills of every man and woman, every boy and girl in this country.

Of all the problems we have with competitiveness, whether it is the deficit or the level of investment or anything else, I think all of us know in our heart of hearts America's biggest problem today is that too many of our people never get a shot at the American dream and that if all of our people were living up to the fullest of their potential, we would surely have a much easier path in solving all the issues that we constantly debate about at these meetings.

Of all my moments as Governor, one I remember with the most pride occurred here at a National Governors' Association meeting during that 2-year period when we were working on welfare reform. Governor Castle and I sponsored a panel, and I think 40 Governors attended. And we had welfare recipients from all over the country come in and talk to the Governors about what it was like to be on welfare.

A woman from Arkansas who was there, whom I knew but had not vetted for this conversation, started talking about her program and how she'd gone into a training program and she had gotten a job, all of that. And I did something lawyers are told never to do: I asked a question without knowing the answer. I said, "Do you think this program ought to be mandatory? Should everybody have to participate in this?" She said, "I sure do." And I said, "Why?" And she said, "Well, because if it wasn't, there would be a lot of people like me home watching the soaps because we don't believe we can make anything of ourselves anymore. So you've got to make it mandatory." And I said, "What's the best thing about having a job?" She said, "When my boy goes to school, and they say, 'What does your mama do for a living?', he can give an answer."

I think that moment says more than I will ever be able to say about why this is important, not just important for the poor but important for the rest of us. We must end poverty for Americans who want to work. And we must do it on terms that dignify all of the rest of us, as well as help our country to work better. I need your help, and I think we can do it.

Thank you very much.

NOTE: The President spoke at 10 a.m. at the J.W. Marriott Hotel.

Letter to Federal Emergency Management Agency Acting Director William C. Tidball on Disaster Assistance for Louisiana

February 2, 1993

Dear Mr. Tidball:

I have determined that the damage in certain areas of the State of Louisiana, resulting from severe storms and flooding on January 20 through January 25, 1993, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("the Stafford Act"). I, therefore, declare that such a major disaster exists in the State of Louisiana.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance in the designated areas. Public Assistance may be added at a later date, if requested and warranted. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance will be

limited to 75 percent of the total eligible costs.

Sincerely,

William J. Clinton

NOTE: This letter was made available by the Office of the Press Secretary but was not issued as a White House press release.

Letter to Governor Edwin W. Edwards on Disaster Assistance for Louisiana

February 2, 1993

Dear Governor Edwards:

As requested, I have declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act) for the State of Louisiana due to damage resulting from severe storms and flooding on January 20 through January 25, 1993. I have authorized Federal relief and recovery assistance in the affected area.

Individual Assistance will be provided. Public Assistance may be added at a later date, if requested and warranted. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance will be limited to 75 percent of the total eligible costs in the designated areas.

The Federal Emergency Management Agency ("FEMA") will coordinate Federal assistance efforts and designate specific areas eligible for such assistance. The Federal Coordinating Officer will be Mr. Leland R. Wilson of FEMA. He will consult with you and assist in the execution of the FEMA-State Disaster Assistance Agreement governing the expenditure of Federal Funds.

Sincerely,

Bill Clinton

NOTE: This letter was made available by the Office of the Press Secretary but was not issued as a White House press release.

Nomination of Deputy Secretary and Assistant Secretaries of Housing and Urban Development

February 2, 1993

The President today nominated four recognized leaders in the housing field to work with Secretary Henry Cisneros as top officials at the Department of Housing and Urban Development. The nominees for Deputy Secretary and three Assistant Secretary positions are recognized and experienced leaders in the housing field.

As Deputy Secretary, President Clinton nominated Terry Duvernay, executive director of the Georgia Housing and Finance Authority, and HUD Chief of Staff under Secretary Moon Landrieu. Also nominated were Andrew Cuomo, the founder and president of an innovative and successful New York area housing organization, to be Assistant Secretary for Community Planning and Development; San Francisco Board of Supervisors member Roberta Achtenberg, to be Assistant Secretary for Fair Housing and Equal Opportunity; and Jean Nolan, formerly director of communications for The Enterprise Foundation, a national foundation that works to provide housing for low-income people, to be Assistant Secretary for Public Affairs.

"I am committed," said the President, "as is Secretary Cisneros, to turning the Department of Housing and Urban Development into a center for action and a home for innovation. Terry Duvernay, Andrew Cuomo, Roberta Achtenberg, and Jean Nolan have a big task ahead of them—rebuilding housing opportunity for all Americans and repairing the torn fabric of our nation's urban communities. These four outstanding individuals have the experience, the knowledge, and the ability to make that happen. They will be an essential part of my team."

NOTE: Biographies of the nominees were attached to the press release.

Remarks to Employees of the Office of Management and Budget

February 3, 1993

Thank you very much, Mr. Vice President. Mr. Panetta, Ms. Rivlin, ladies and gentlemen. I'm really sorry to know that the Vice President has a lavish office in this building. If it gets any hotter over at the White House he may want to occupy it. [*Laughter*]

I want to tell you how very proud I am to be here today, how grateful I am for the enormous amount of work I know all of you have been doing because of the tight timetables we have set on ourselves leading up to the February 17th address to Congress. Nobody in this country is working any harder than you are to give the promises I made to the American people a chance to take life. And I just wanted to come by here today and say a simple thank you.

For years politicians have run for President and Governor and other offices by running against the Government. And to be sure, there is a lot to run against; there is a lot which needs to be changed. There are people here in this room today who know more specifically about what needs to be changed than those of us who give speeches about it. But I think it is terribly important, in the midst of all that rhetoric, not to forget that behind that Government that needs to be changed there are people that have decided to give their lives to the interest of the United States and its citizens. And they deserve to be honored. And I do appreciate that.

I wanted to tell you today a little bit about why I think I got elected to this job and what I hope, together, we can do, and most importantly, what's behind the enormous and increasingly complex challenges facing this country.

Let me begin by relating a simple experience I had a few months ago, which affected me deeply, involving a man named Benjamin Edwards, a 52-year-old man who lived in Philadelphia. The night of the first Presidential debate, he had a viewing party at his house, but it was a highly unusual viewing party. He was out of work, and his electricity had been turned off because he couldn't pay the bills. So his neighbors brought over television sets and lamps and ran extension cords from a nearby apartment because that's the only way they could watch it. About 100 of them did. And the next day Benjamin Edwards took a bus 15 miles to attend one of our campaign rallies. As I came down the line, he grabbed my hand and told me to win the election because he had to have a job. I told him that if I won the election I'd try to get him a job. Well, he's got a job now because he became somewhat famous as a result of this incident. [*Laughter*]

But there are millions and millions of other Americans who still don't. I read an article yesterday in the paper about another unemployed person who had voted for me who had only gotten a form response from the White House. And I told somebody today to pick up the phone and call him and talk to him and try to make him feel connected to his Government again.

I say this to reiterate something that I think most of you already know, but it's easy to forget here working in the splendid isolation of the Capital City. Budgets are not about numbers; they're about people. They mean jobs and health care, education or training. We can't ever afford to let our people get lost in a blizzard of statistics.

Since the election we've learned even more about the difficulty of the budgets and the difficulty of putting together an economic program that puts people to work in the short run and deals with the long-term problems of this economy.

Just today we got the news about the economic indicators for the month of December being the best in 10 years; and yet the disturbing prospect that a lot of new jobs are not being created. How could this be so? Well, partly because there's been no inflation in the economy and interest rates have been down for some while; people are now beginning to refinance their home, debts, or buy and sell new homes. So that generates a lot of economic activity. And partly because we have an inordinate number of companies in our free enterprise system who have gotten more and more productive and therefore earning more money. The problem is that a lot of them are doing what we need to do, which is to gradually downsize. A lot of them are not hiring new people, even though their incomes are going way up.

Now, during the eighties that happened to the Fortune 500 companies, which reduced employment by over a couple hundred thousand a year, all during the eighties. But all those jobs were made up for in the eighties by small businesses hiring new people. And yet, now small business hiring is dropping, too, as small businesses are loathe to hire new people because they can't afford to pay for health care or because they can't get credit from their local banks.

So we have this anomalous situation where the economy seems to be growing but employment is not, and where more and more middle-income workers are working harder and harder every year but their wages aren't keeping up with inflation, and the costs of health care and education are outstripping inflation.

So we have this perplexing dilemma. How can we build on what the free enterprise system is doing that is good, get small business growth going again, and increase investment so that we generate more high-wage jobs, so that the economy can grow, not just in the overall statistics but in the real lives of real people? That's important to you, not only because of your mission at OMB but because how you do is a reflection of how the taxpayers do, since they pay your bill.

So you have an immediate as well as a long-range interest. And the success of what is our economic commitment to do something which the American people have never before had to do: to increase investment and bring down the deficit at the same time. That is our challenge.

And on February 17 we're going to start anew in an effort to meet that challenge. We've got to turn this country around to build a long-term stable growth of jobs and income. We cannot go 10 more years with insufficient jobs and insufficient income growth for people who are working hard, playing by the rules, willing to become educated and trained in ever new skills meeting ever new challenges.

That is our challenge. And we are doing our best to meet it. Since no one has ever tried to do both these things at once, to get the job base going, which we want to do with a modest stimulus program in the beginning, increase permanently investment in people and jobs and growth, and reduce the deficit, it is not always clear exactly what specific decisions we must make. But the general path we have to follow is clear; because if we don't do something about investment, we won't have the kind of high-wage jobs that will shape a good future for ourselves and our children. If we don't do something about the deficit, it will eventually overwhelm our ability to borrow money at affordable rates and to have any money left in the public purse to take care of people in need and to invest in our future.

So we have no choice but to embark on this course, but it is an uncharted course. No one has ever tried to do both things at the same time before. President Roosevelt elected to pursue investments in putting the American people back to work; deflation was so bad he didn't have to worry about the deficit. And before he had to deal with it, we were in a world war with full production and a massive deficit that then dropped dramatically as a percentage of our income for the next 35 years for the simple reason that we were growing so fast we didn't have to worry about it. Now we need a new commitment to investment, but we cannot ignore our debt.

We have to remember a few basic things, I think, in putting this program together. The first is that while every American is willing to make a contribution, the contribution we ask of every American must be viewed against what happened to them in the 1980's. In the 1980's, the middle class paid the bill while the wealthiest Americans enjoyed the fruits of their labors. Taxes went down on middle class—went up on middle class Americans while their real incomes went down. Taxes went down on upper income Americans while their real incomes went up.

The expansion of Government services, the expansion of all the public programs was basically done on the backs of the people who weren't having any income growth. That means before we ask them to do more, we have to demand that Government do everything it can to do with less.

Before I ask working Americans to work harder and pay more, I will ask the economic elite, who made more money and paid less in taxes, to pay their fair share. We have to

literally be about the business, as Vice President Gore said, first of reinventing Government.

I have been very careful, I will say again, to honor the contribution of public employees. I know that to a major degree, I cannot succeed as President unless you and the people who work in all these other departments believe in our common mission.

I know that for every subject I could bring up that I want do do something about there are 10 employees in this city of the Federal Government who know more about the details of what ought to be done than I do. I need your ideas and your energy. When I say we're going to reinvent Government, we're going to downsize some things; we're going to stop doing other things. We're going to do it in a way that lifts up the influence, the energy, and values the ideas of our best employees, not that grinds them down or uses them as political footballs. I have no interest in doing that to you or to anybody else. I think the American people know you want a change, too.

But let me just give you two or three examples. When I took office, the Labor Department had a nice executive dining room for its Secretary but not enough money to train unemployed workers. I'm going to propose a stimulus package that has some more money to train unemployed workers, and the Secretary of Labor is now eating in the dining room with the employees.

When I took office, the White House had a telephone system that had been there since President Carter and a switchboard that has been there since the 1960's. They talk about jamming the White House switchboards—you can do it tomorrow if you want to; it's not hard. [*Laughter*] I could not have a conference call in my office on my telephone, except an unwanted one. Anybody in the central office could punch a lighted button and listen to what I had to say. [*Laughter*] The American people, I think, would be pretty surprised and disappointed that after a dozen years of people who promised to run the Government like a business—they meant a business in the 1950's, not for the 21st century. [*Laughter*]

So we are committed to making some kinds of structural changes that every major organization in this country has had to make in order to survive. It is not right for us to spend taxpayers' money on antiquated communications systems, on unjustifiable perks, and on a system that cannot be, cannot be justified to the American people, given the times that they're having and the sacrifices we're going to ask of them.

In the next several days, I will be finalizing and announcing plans which will demonstrate a substantial reduction in spending at the White House, reversing many years of growth in services and personnel provided to the President. We're going to rely more on help from people in the Departments to run the Government, and on a new partnership to move the country forward. And we're going to set an example by saving money for the taxpayers, which will then have to be followed by everybody else in the executive branch and I hope in the legislative branch as well.

Second, I'm going to ask, as I said, those who made more money in the eighties and paid fewer taxes to pay their fair share before I ask anyone in the working middle class to pay more. But we have to recognize that together we have to find a way to change the mix of Government spending away from so much consumption toward more investment and, at the same time, to reduce the deficit so we can bring interest rates down and bring up long-term living standards. We have no right, frankly, to continue to finance a Government budget that is 20 percent debt-financed, and will be more debt-financed in the years ahead, and leave it to our children to figure out how to live with lower incomes than they otherwise would have. And believe me, it isn't just our children. We're going to be living with the consequences in the very near future.

And I might add something that all of you who work on budgets know, which is that one of the huge dilemmas we face—and that can't be resolved today in this speech, but I just want to lay it out there—is one that all of you know. And that is we are spending 14 percent of our income on health care. No other country except Canada spends more than nine, and they're just a little above nine.

And every day we read in the paper another expert, just like there's one today, say-

ing, well, you certainly can't save any money on health care costs in this country. God forbid that you should put any of that in there; you can't do that. If we can't do that, we can't fix the deficit; we can't fix the economy; we can't turn America around. And if we could lower the rate of health care spending increase we would save more than twice as much money in the private sector and in the public sector, unleashing more money for investment than anything we can do in terms of tax cuts, spending increases, or anything else to turn this economy around. So there's plenty for us to do.

What I want you to know is that I do not believe our problems are insoluble. And one of my major goals is to leave the next President with a new set of things to worry about. [*Laughter*] I'm getting bored reading the same problems in the paper, decade after decade, I want people to have to deal with new problems.

I am asking you today to do two things: First of all, to personally invest yourself in this great mission. It is our job in this generation to deal with these problems so that the American dream can endure. Ultimately, that is why everybody should come to work for the Federal Government and why everyone's job counts. And I am asking you to remember how terribly difficult life is for many people who pay our bills and pay your salary and mine.

I got an incredibly moving call the other day from a friend of mine, shortly before I took office, in which he said he had just talked to a person who worked in his office who said that, in bad grammar but compelling truth, he said this woman came up to me and said, "You know, it's scary to be a little people." And it really is.

I want to send a signal to this country that I may not do everything right, and I can't do everything that's just popular in the short run, but every day in every way we're trying to set an example for the people that sent us here. We don't want the people to sacrifice their income before the Government sacrifices everything it can. We don't want the people who bore the burden in the eighties to make any contributions before people who reaped the benefits of the eighties do their fair share, and that together we really believe we can make a difference. If you help me and we work together, I'm confident that we can.

Thank you, and bless you all.

NOTE: The President spoke at 11:02 a.m. in the New Executive Office Building. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to a Meeting With Economic Advisers

February 3, 1993

Q. Mr. President, while we have you, why do Social Security recipients in the middle class appear to be getting a little bit more nervous as your economic plan unfolds? Should they be?

The President. Well, the way you folks were leaking the story today—[*laughter*].

The people of this country ought to know that I'm going to do my best to be fair to the people that I ran to represent and to get the job machine of this country moving again and bring the deficit down. And I think the people will believe that I've been fair and comprehensive when the plan comes out.

But you know, it's very difficult for us to make decisions in an environment where we have no control over who says what, about what really comes out, and half the stuff that comes out is not even accurate. So all I can tell you is I'm not going to comment on the specifics until I settle on the plan, and then I'll come forward with it. But it will be consistent with what I said today to the employees over at the OMB.

Thank you.

NOTE: The President spoke at 2:25 p.m. in the Roosevelt Room at the White House.

Exchange With Reporters Prior to Meeting With Democratic Congressional Leaders

February 3, 1993

Q. Mr. President, when do you want campaign's finance reforms to go into effect?

The President. We're here to talk about what's going to be in the bill. I want to pass a bill early this year, as early as we can, and we're going to talk about that.

There was a good bill last year—it had a lot of good features in it—which was vetoed by President Bush. And I guess we'll start talking about that and see where we go from there. But I hope we can get a good bill.

In terms of when it goes into effect, and the last bill skipped an election cycle and was widely applauded by all the public interest groups as a great advance over where we are now. I think when it goes into effect is a subject of discussion here. But I want to pass a good bill. That's my concern.

NOTE: The President spoke at 3:49 p.m. in the Cabinet Room at the White House.

Letter to Federal Emergency Management Agency Acting Director William C. Tidball on Disaster Assistance for California

February 3, 1993

Dear Mr. Tidball:

I have determined that the damage in certain areas of the State of California, resulting from severe winter storms, mud and rock slides, and flooding on January 5–22, 1993, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("the Stafford Act"). I, therefore, declare that such a major disaster exists in the State of California.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance and Public Assistance in the designated areas. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance will be limited to 75 percent of the total eligible costs.

Sincerely,

Bill Clinton

NOTE: This letter was made available by the Office of the Press Secretary but was not issued as a White House press release.

Letter to Governor Pete Wilson on Disaster Assistance for California

February 3, 1993

Dear Governor Wilson:

As requested, I have declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act) for the State of California due to damage resulting from severe winter storms, mud and rock slides, and flooding on January 5–22, 1993. I have authorized Federal relief and recovery assistance in the affected area.

Individual Assistance and Public Assistance will be provided. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance will be limited to 75 percent of the total eligible costs in the designated areas.

The Federal Emergency Management Agency ("FEMA") will coordinate Federal assistance efforts and designate specific areas eligible for such assistance. The Federal Coordinating Officer will be Mr. Frank Kishton of FEMA. He will consult with you and assist in the execution of the FEMA-State Disaster Assistance Agreement governing the expenditure of Federal Funds.

Sincerely,

Bill Clinton

NOTE: This letter was made available by the Office of the Press Secretary but was not issued as a White House press release.

Nomination of William J. Perry To Be Deputy Secretary of Defense

February 3, 1993

The President today nominated William J. Perry, a highly respected expert on military technology, to serve as Deputy Secretary of Defense under Secretary Les Aspin.

"William Perry is a sound and sophisticated adviser whose expertise on military technology and policy is unmatched," said President Clinton. "Secretary Aspin and I will rely heavily on his knowledge, imagination, and judgment as we work to keep our military the strongest in the world in a time of budgetary constraints."

Perry has long been regarded as one of the country's leading experts on military technology affairs. He is currently serving as codirector of the Stanford University Center for International Security and Arms Control, as well as being a professor at Stanford's School of Engineering and chairman of Technology Strategies and Alliances, a management consulting firm. He is a member of the President's Foreign Intelligence Advisory Board and of the U.S. Senate Select Committee on Intelligence's Technology Review Panel. In addition, Perry is a trustee of the Carnegie Endowment for International Peace.

During the Carter administration, Perry served as Under Secretary of Defense for Research and Engineering. In that position, he was responsible for military acquisitions and is credited with making investments in many weapons systems that have been successful in recent military actions.

Perry, 66, lives in San Francisco, CA, with his wife, Lee, a CPA. They have three sons and two daughters.

Proclamation 6527—National Women and Girls in Sports Day, 1993

February 3, 1993

By the President of the United States of America

A Proclamation

In 1972, Title IX was passed requiring colleges receiving government funds to provide equitable athletic programs for women, thus markedly expanding sports opportunities for women. As we enter the third decade of this law, it is fitting and proper that we recognize the importance of the skills gained through fitness and athletic experiences.

Sports and fitness activities greatly enhance emotional and physical well-being. Additionally, the communication and cooperation skills learned through athletic experiences play a key role in an individual's contributions at home, at work, and to society. At the same time, the bonds built through athletics help to break down the barriers of racism and prejudice.

Unfortunately, while the history of women in sports is rich and long, there has been limited national recognition of the significance of women's athletic achievements. The number of women in leadership positions as coaches, officials, and administrators has declined drastically over the years. Athletic opportunities for male students at the high school and collegiate level remain significantly greater than those for female students.

With the promise of a bright future, female athletes serve as a source of pride and unity for the United States. They represent the best of performance and dedication and serve as valuable role models to younger citizens.

The Congress, by House Joint Resolution 546, has designated February 4, 1993, as "National Women and Girls in Sports Day" and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, William J. Clinton, President of the United States of America,

by the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim February 4, 1993, as National Women and Girls in Sports Day. I urge all Americans to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this third day of February, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and seventeenth.

William J. Clinton

[Filed with the Office of the Federal Register, 2:11 p.m., February 4, 1993]

NOTE: This proclamation was released by the Office of the Press Secretary on February 4, and it was published in the Federal Register on February 8.

Memorandum on Delegation of Authority Concerning Reports on Russian Military Exports

February 3, 1993

Memorandum for the Secretary of State

Subject: Delegation of Authority With Respect to Reports Concerning Russian Military Exports

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including Section 301 of Title 3 of the United States Code, I hereby delegate to the Secretary of State all functions vested in me by Section 599B of Title V of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 1993 (Pub. L. 102–391). These functions shall be exercised in consultation with appropriate departments and agencies.

The Secretary of State is authorized and directed to publish this memorandum in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on February 4.

Remarks at the National Prayer Breakfast

February 4, 1993

Thank you very much. Congressman Emerson and distinguished guests at the head table; to my friend Reverend Billy Graham and Ruth; and to all those who have given such moving presentations. This has been a wonderful morning, I think, for all of us.

When I heard Wentley Phipps recounting our first, rather awkward meeting, I thought that I would admit to being Governor of Alabama just to hear him sing. [*Laughter*]

My mind has been full of memories this morning. I helped to start the first Governor's prayer breakfast in my State; it became a very important part of our life there. And every year I had the pleasure of delegating two Arkansans, one a clergyman or -woman and one a citizen, to come to this wonderful event.

I thought about the first time I ever saw Billy Graham—appropriate to mention now. He came in the 1950's, in the heat of all our racial trouble, to Arkansas to have a crusade. And the white citizens council tried to get him, because of the tensions of the moment, to agree to segregate his crusade in the fifties in the South. And he said, "If I have to do that, I'm not coming."

And I remember I got a Sunday school teacher in my church—and I was about 11 years old—to take me 50 miles to Little Rock so I could hear a man preach who was trying to live by what he said. And then I remember, for a good while thereafter, trying to send a little bit of my allowance to the Billy Graham crusade because of the impression he made on me then.

I am honored that all of you are here not for a political purpose. We come here to seek the help and guidance of our Lord, putting aside our differences, as men and women who freely acknowledge that we don't have all the answers. And we come here seeking to restore and renew and strengthen our faith.

In this town, as much as any place on the face of the Earth, we need that. We need faith as a source of strength. "The assurance of things hoped for, the conviction of things unseen," the Scripture says. What it means

to me is that here, if we have enough faith, in spite of all the pressures to the contrary, we can define ourselves from the inside out, in a town where everybody tries to define you from the outside in.

We need our faith as a source of hope because it teaches us that each of us is capable of redemption and, therefore, that progress is possible—not perfection, for all the reasons Reverend Graham said, but progress. We need our faith as a source of challenge because if we read the Scriptures carefully, it teaches us that all of us must try to live by what we believe or, in more conventional terms, to live out the admonition of President Kennedy that here on Earth God's work must truly be our own.

But perhaps most important of all for me, we need our faith, each of us, President, Vice President, Senator, Congressman, General, Justice, as a source of humility, to remember that, as Bishop Sheen said, we are all sinners. St. Paul once said in an incredibly moving Scripture in the Bible, "The very thing which I would not do, that I do, and that which I would, that I do not." And even more, not only because we do wrong but because we don't always know what is right.

In funerals and weddings and other important ceremonies, you often hear that wonderful verse from Corinthians cited: "Now abideth faith, hope, and love, but the greatest of these is love." But the important thing is often left out, which is the verse above. Why is the greatest of these love? Because, now I see through a glass, darkly . . . now I know only in part. None of us know all that we need to know to do what we need to do.

I have always been touched by the living example of Jesus Christ and moved particularly by all the religious leaders of His day who were suspicious of Him and always trying to trap Him because He was so at ease with the hurting and the hungry and the lonely and, yes, the sinners. And in one of those marvelous attempts to trick Christ, He was asked, "What is the greatest Commandment?" And He answered, quoting Moses, "You shall love the Lord, your God, with all your heart and with all your soul and with all your mind." And then He added, as we should add, "This is the great and foremost Commandment. And the second is like it: You shall love your neighbor as yourself."

Just 2 weeks and a day ago, I took the oath of office as President. You know the last four words, for those who choose to say it in this way, are "so help me God." And the Chief Justice was giving me the oath, and I was trying to remember the words. And I said, you know, when I get to the end I'm going to think of the ringing voice of Washington and Jefferson and Lincoln and the Roosevelts and Kennedy and all the other great Presidents through the ages, and I will say "so help me God" with all the strength at my command. And I did. But deep down inside I wanted to say it the way I was thinking it, which was, "So, help me, God." [*Laughter*]

So today my prayer for you as we begin this great new adventure, and I pray that your prayer for me, will be that God will help us to have the strength to define ourselves from the inside out, not the outside in, to have the hope that it takes never to give up and the determination it takes always to make progress in an imperfect world and the humility to walk by faith and not by sight.

Thank you very much.

NOTE: The President spoke at 9:30 a.m. at the Washington Hilton.

Exchange With Reporters During a Luncheon With the Vice President

February 4, 1993

The Economy and Job Creation

Q. Mr. President, with productivity soaring and factory orders up, does this mean it's a strong recovery and you might have to adjust your economic plan?

The President. Well, we haven't—it could mean that more evidence will come in the deficit will be smaller. But there's no—it could mean that we'll have more jobs, which is the real issue. But we don't see it yet.

I think the real issue—what appears to be the case is that American productivity is up and that a lot of Americans are refinancing

their homes or buying new homes because of low interest rates. But so far, we're not adding jobs to the economy. That's the critical thing.

I think it means we need to take a real close look at the credit crunch for small business. I think it means we need to redouble our efforts on health care cost restraints because that's one of the things that's preventing small business from hiring more people. But if you look at the downsizing going on in a lot of these big companies, we still need a program which will help us to generate jobs and higher income jobs. And that's the focus that I had for several months now.

I'm happy that the productivity rates picked up, and I'm glad that people are able to finance their homes at lower interest rates. But I'm still not convinced that this country is yet set on the right course in terms of generating the jobs. And that's the key thing: jobs.

Q. What if the markets, which seem encouraged by your commitment to deficit reduction, go down if you don't live up to your promise of 145,000 jobs?

The President. I think they want us to have a steady, disciplined, downward path on the deficit. But I also would point out that sometimes when the markets have been up, the job market has been down. The market that counts is the market that affects ordinary Americans. Do they have jobs? Are their incomes going up? And that's why I think we have to increase investment for jobs and decrease the debt. And we're going to do our best to do both. On February 17th I'm going to——

NOTE: The exchange began at 12:30 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Statement on Secretary of State Warren M. Christopher's Trip to the Middle East

February 4, 1993

In accord with my pledge to maintain continuity in the Arab-Israeli peace negotiations, I have decided to dispatch Secretary of State Christopher to the Middle East. His purpose will be to convey to all the parties my commitment to advance the peace negotiations. He will elicit their views on how best to promote progress, and he will discuss bilateral issues and regional problems, including Iraq.

This will be Secretary Christopher's first mission abroad. It is an indication of the priority my administration attaches to peacemaking in the Middle East. It also presents an opportunity for the parties to focus their energies on the formidable challenge of achieving peace in a strife-torn region.

With violence engulfing so much of the world, it is striking that in the Middle East a process of direct negotiations has begun. Israel, all its Arab neighbors, and the Palestinians have been engaged in a common endeavor to achieve a just, lasting, and comprehensive peace based on U.N. Security Council Resolutions 242 and 338.

The United States, together with our Russian cosponsor, played a critical role in launching these negotiations. It is my intention to see that we continue that role.

We cannot impose a solution on the Middle East. Only the leaders of the region can make peace. Theirs is an awesome responsibility. Those who oppose the process, who seek to subvert it through violence and intimidation, will find no tolerance here for their methods. But those who are willing to make peace will find in me and my administration a full partner. This is an historic moment. It can slip away all too easily. But if we seize the opportunity, we can begin now

to construct a peaceful Middle East for future generations.

Exchange With Reporters Prior to a Meeting With Foreign Minister Klaus Kinkel of Germany

February 4, 1993

National Service Plan

Q. Mr. President, are you disappointed that you've had to scale back your national service plan? You've scaled it back to a pilot program, and is that a big disappointment to you?

The President. No, I haven't. That article was a complete surprise to me this morning.

Q. How so?

The President. I haven't made any decision to scale it back to a pilot program. I had a meeting just yesterday on national service, and I'm working on funding it just as close to what I recommended in the campaign book, ''Putting People First,'' as possible. We always knew that we would phase it in to some extent in the sense that there would be a limited number of young people in the early years could be in the service programs, and that it would build up over a 6-year period. That's what we proposed all last year. But I'm not at all sure that we're going to cut back much from what we recommended.

Q. So you think it will take 6 years to fully fund it and have every American have an opportunity for a college education?

The President. No, no. I think it will take 6 years before the number of young people who choose the service option as opposed to the repayment option hits its maximum number. That's what we calculated last year in the campaign and what we put out in our book. But unless the mechanics are such that we can't implement the service program, which I don't believe is the case, I would expect us to be well beyond what you would call a pilot program as soon as we implement it. I was surprised by the slant of the Post story this morning, because I think we'll do more than that.

Bosnia

Q. ——positive to say about the Bosnian peace plan that has been offered?

The President. Yes, I think that anything, any effort that increases the chance of some ultimately peaceful solution is important. But I think the United States has under review now all of its options in that area. And I think at this time the position that the Secretary of State has taken is the one that we have agreed on and the one that I think is proper.

Q. Are you close to an announcement, though?

Q. When will you have something more to say about that, Mr. President?

Q. *Sprechen Sie deutsch*, Mr. President?

Q. Are you practicing your German?

The President. I haven't been conversational in 24 years. Maybe I can brush up on it.

Q. Can you read it?

The President. Yes, I can still read pretty well.

Foreign Minister Kinkel. Do you know our country?

The President. Yes, I've been there several times. I took 3 years in German. And I was in Germany in '69 and '70, and I've been back a few times since. And then I was in Baden-Baden in 1991 at—meeting for several days. The meeting was 3 or 4 days, I would guess.

Foreign Minister Kinkel. ——speak German?

The President. A little, yes. I haven't spoken it, literally, in 24 years. But when I was in the country, I heard the people talking, and usually I know a lot of what they're saying.

Foreign Minister Kinkel. You can read a newspaper, perhaps?

The President. I can read quite a bit of the newspaper. I ran—I was in—where was I—in the English gardens in Munich. I ran in a 10K race there a couple of years ago when I was over there on a trade mission. And they wrote it up in the newspaper. And someone sent me the article, and I read the whole article. I could read that. So I can read a little bit. And my daughter goes to German camp every summer.

Foreign Minister Kinkel. Yes, I read it in my paper. This is important because these

are my press people from Germany. And they are interested especially in this, your relations to our country.

The President. Oh, I've been there many times. I first went in '69, and I've been going a lot since then. And my daughter, as I said, goes to this German village in Minnesota, language camp, every year now for 5 years.

Foreign Minister Kinkel. And she speaks our language?

The President. Well, a little bit. You know, it's a children's camp. They send the kids to the camp, and the camp is built like a German village. And they give them German names, German money, a German passport, and they have to speak conversational German.

But next year, when she moves into high school, she will go for a month and begin an academic study. And then she will get, and each year she goes for the next 4 years, a year's academic credit for studying it. So by the time she finishes in high school she should be pretty close to conversational.

NOTE: The exchange began at 4:20 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Remarks at a Dinner Honoring the New Jersey Congressional Delegation

February 4, 1993

Good evening. Thank you. I know we're not really, but it feels like it's nice to be back in New Jersey. And I'm glad to have you here in the Nation's Capital. You may or may not be able to see this, but on the way in tonight, Bill Faherty gave me a New Jersey tie, which I have proudly donned. They even had a mirror outside for me to be able to tie it in a straight and appropriate fashion. [*Laughter*]

I want to tell you how very glad I am to be here tonight with the State chamber, how much I want to welcome you to our Nation's Capital. I've just been here as President 2 weeks and a day, and I'm already hoping we can keep an infusion of people from the heartland coming in to keep us in touch with reality.

I'm glad to see all the Members of the House here. Senator Bradley and Senator Lautenberg are voting tonight as the United States Senate attempts to work out the family leave bill. I do want to say a special word of appreciation to both of them in front of their constituents for not only the support they have given me but for the genuinely good advice across a whole wide range of issues.

I have the sort of relationship with them which I really respect and which I hope the Members of Congress here will take to heart. Either one of them is liable to call me at any time of the day or night from places unknown. Always all right places, but—[*laughter*]—I mean, when they're around, you know. And I'm very, very grateful to both of them not only for their support in the recent election but for their involvement in the great issues of this time.

I've been working hard for the last 2 weeks to try to be worthy of the trust of the voters of this country who gave me a chance to become President, including the people of New Jersey who voted for a Democrat for the first time in 28 years. I know you haven't always been able to tell it from the news, but I spent virtually all of my time working on the economy, the jobs issue, the deficit, meeting in long periods with my staff, with people from around the country who know about these matters, with Members of the United States Congress, working with people in both parties to try to end the gridlock and to reach agreement so that we can move forward.

We've had, as all of you know now, an economic upturn in the last few months, and we hope that we are coming out firmly of the longest recession we've had in a good long while. There is much to be encouraged about in two or three areas. First of all, interest rates have been down for a good long while now, and millions of Americans have refinanced their homes or been able to buy new homes in ways that have generated significant economic activity. Second, and even more encouraging over the long run, there has been a big increase in the productivity of American businesses and workplaces. That is, after all, the key to our economic future.

And finally, beginning in December with a little bit in November, but a big increase in December in consumer confidence, which has strengthened the consumer market in our country, something we hope will carry through for the next few months.

Still, there are clear challenges before us. With all these good numbers coming in, very few new jobs have been created in America yet in this recovery. Most big businesses that are doing better are still downsizing as a part of their productivity. That happened all during the 1980's, when in every year of the 1980's the Fortune 500 companies reduced employment in total by more than a quarter of a million in the United States. But throughout much of the eighties, that reduction was more than offset by the creation of jobs in the small business sector.

In the last couple of years and regrettably even in the last few months, small business is not taking up the slack because of the crushing burden of health care cost and because of the credit crunch, which is much more severe in some States and regions than others, but which is a very serious problem for our economy.

We also have a deficit that next year is projected to be $50 billion bigger as of December than we were told in August and is growing exponentially even though the Congressmen who are here can tell you that they made a good faith effort in 1990 to rein the deficit in, with spending cuts and tax increases they thought would do it. It didn't happen because the taxes didn't bring in as much money as they thought, but even more importantly because health care costs have continued unabated, rising at breathtaking rates. So that at the end of this year—those of you who pay health insurance will know this—but we now, alone of all the advanced countries in the world, are spending 14 percent of our income on health care. No other country except Canada is over 9.

That is a terrific competitive disadvantage. It is costing you a great deal of money not only as taxpayers, for what you pay for Government health care, but in the private sector. And the hemorrhage is such that about 100,000 Americans a month are now losing their health insurance, many of them finding their way onto the public rolls and leading to explosive increases in the Government's health care burden.

So as we look ahead to our challenges and as I look ahead to this speech I have to give on February 17th to the joint session of Congress, I still believe in the fundamental themes on which I ran for President: We have to increase job growth and income growth without increasing inflation. We have to face the serious problem of our urban areas and the serious problems of the underclass in ways that liberate the ability of all people to perform at high levels in this economy if we want to continue the increase in productivity. That means that we have to shift away in the money that you give us to spend, away from consumption, more toward investment. We have to increase investment in new technologies and education and training, in infrastructure and the things that will grow this economy. It also means that we have to provide more incentives in our Tax Code for investment in the private sector. And it means we have to act at long last to bring health care costs in line with inflation. If we did that, it would do more to free up private sector dollars to invest in economic growth than any tax cut I could sign into law or any spending increase that Congress and I together can enact.

So we will begin in earnest as soon as this break is over to do those things that your National Government has never had to do simultaneously before. We will attempt to increase investment and reduce the deficit at the same time. It will require an enormous amount of discipline and a willingness to try some new things and to cut some things in ways that we have not done before.

I hope you will all wish us well, and I hope you will tell every Member of your congressional delegation up here, without regard to party, that you know they're going to have to cast some difficult votes in order for this country to face its problems, and if they do it in good conscience and explain to you why they did it, you will not hold it against them. That's what they were hired to do, and you'll stick with them if they can do it.

You know, when I was Governor—and I did that job for a dozen years, and I had a good time doing it—there were many times when I had to cut spending five or six times

in a given year. And people would be a little disconcerted at first, but we never got into debt. And I was always proud of the fact that my State had such a disciplined system.

We paid a terrible price for it during the eighties when times were tough. But because we rode them out, last year we ranked first or second in job growth in virtually every month when I was off running for President, not because of anything that happened last year but because of the foundations that were laid in investments, in being competitive, and in fiscal integrity, in keeping those books balanced. Those are the kind of difficult decisions we're going to have to make now.

Not so long ago, you elected a Governor who had to make some of those decisions. And let me say that, again without attempting to be too partisan, the truth is that if you live in a State, you don't get to print your own money. You can't get in the mess that your National Government is in because you can't run that long without having the brakes come on, without throwing people through the collective windshield that keeps us all in the same boat. And I have to tell you that for all the pain that the decisions made by Governor Florio and the legislature then caused him and them, the truth is that your house is in order now. New Jersey is going to have a balanced budget without a tax increase, and you even have a rainy day fund at a time when many States are going bankrupt.

Sooner or later, we all have to face the music. And when we do, we are normally rewarded. So New Jersey is being rewarded. Look at your credit rating. Look at the overall health of the economy. Look at the trends in the State. I hope that together with the Senate and the House, with the Republicans and the Democrats in this great Capital of yours, we can come to grips with our problems in ways that the American people will understand and embrace, perhaps with less political fallout, but I hope at the end with the same sort of stability and success that you have achieved with Governor Florio. And I hope you're proud of it, because I am.

Let me just mention one other thing. I happened to think of this—it really hadn't occurred to me, but I think I ought to mention it. I asked Governor Florio, through the trade ambassador, Mickey Kantor, to serve on our intergovernmental advisory committee, because there's so much relationship now between our national trade policies and the policies followed at the State and local level for growth. I think he'll do a good job on that, but I wanted to emphasize it, because a big part of our economic strength is in our capacity to export.

While our administration has found it necessary to take some pretty tough positions on trade issues in the last 2 weeks, I want to emphasize to you I do not take those positions in the hope of provoking a trade war or raising trade barriers in this country but only so that we can have expanded trade on fair terms for ourselves and for all nations.

We cannot grow this economy, and no wealthy nation can grow, unless there is global economic growth. And I want to pledge to you that I will do my best to help all the world-class companies headquartered in New Jersey have an environment in which they can grow and flourish in the international economy, with a trade system that is constantly expanding, but expanding on terms that are genuinely fair not only to ourselves but to our trading partners as well.

I ask you all without regard to your party to wish us well. And I ask you one more time to give the Members of Congress here a pat on the back at the end of the dinner tonight. We're going to have a very challenging few months ahead of us. But it is an exciting time, and it is a fabulous opportunity for us to put our house in order and to deal with these problems and to move this country ahead.

We are now positioned better than we have been in more than a decade to reassert the leadership of the United States economically and politically in the world in a way that is very positive if we will ensure future growth, get job growth along with economic growth, and put our financial house in order. I think we can do it if all the American people, again without regard to party, agree generally on the goal. We will disagree on the details, but in the end we will come to the people's business with a resolution. That's what you need, and most importantly, it's what your children need. We cannot afford to permit the Government to go on out of control, leaving our children with a legacy

of debt and diminished living standards, when we can do so much better now.

I want to thank you for what you have done, all of you in the private sector, to restore America's productivity at the breathtaking rates we've seen in this last quarter. We're going to try to give you that kind of productivity in your National Government. Thank you very much.

[*At this point, the President was presented a gift.*]

I just want to say, if I ever heard a chamber of commerce speech in my life, it was—it said, "This is a Parker pen; it's for your wife. It's the nicest one they make." And then he said, "And this other one's for you." [*Laughter*]

[*At this point, the President was presented a second gift.*]

Let me say, I wish she were here to thank her personally. But this is a gift for the White House, for the American people. And I hope a lot of you from New Jersey will see this when you come in and know that it is yours. We'll leave it there for all time from the people of New Jersey.

Thank you.

NOTE: The President spoke at 7:43 p.m. at the Washington Sheraton Hotel. In his remarks, he referred to William H. Faherty, president, New Jersey Chamber of Commerce. A tape was not available for verification of the content of these remarks.

Remarks on Signing the Family and Medical Leave Act of 1993

February 5, 1993

Mrs. Yandle, I never had a better introduction. Before we thank anyone else, I think all of us should acknowledge that it was America's families who have beaten the gridlock in Washington to pass family leave, people like this fine woman all over America who talked to Members of Congress, both Democrat and Republican, who laid their plight out, who asked that their voices be heard. When Senator Gore and I ran in the election last year, we published a book called "Putting People First." I'm very proud that the first bill I am to sign as President truly puts people first.

I do want to thank the United States Congress for moving expeditiously on this matter and for doing it before their first recess so that every Member of Congress who voted for this bill can go home and say, "We are up there working on your problems and your promise, trying to make a better future for you." This sends a clearer signal than any words any of us could utter, that we have tried to give this Government back to the American people. And I am very appreciative that the Congress has moved so rapidly on this bill.

There are many, many Members of Congress here and many others who are not here who played a major role in this legislation. Time does not permit me to mention them all, but I do want to thank the Senate majority leader for his heroic efforts in the 11th hour to make sure we pass this bill; Senator Kennedy and Senator Dodd for their passionate and years-long commitment to this effort. I want to thank the Speaker, Speaker Foley, and Congressman Ford, the chairman of the committee that had jurisdiction over this bill, and Congresswoman Pat Schroeder and all the other Democrats who worked on this bill.

But I want to acknowledge, too, consistent with the promise I made in my Inaugural to reach out to members of both parties who would try to push for progress, that this bill also had passionate support among Republicans. My old colleague in the Governors' Association, Senator Kit Bond from Missouri, I thank you for your leadership. Senator Jeffords and Senator Coats I don't believe are here, but they supported this bill strongly; and Congresswoman Marge Roukema from New Jersey, her commitment on this was unwavering; Congresswoman Susan Molinari from New York and many other Republicans voted for, spoke for, and worked for this bill. I thank them, the subcommittee chairs who are here and all the others who worked so hard to make this bill a real live promise kept for the Congress to the people of the United States.

Family medical leave has always had the support of a majority of Americans, from

every part of the country, from every walk of life, from both political parties. But some people opposed it. And they were powerful, and it took 8 years and two vetoes to make this legislation the law of the land. Now millions of our people will no longer have to choose between their jobs and their families.

The law guarantees the right of up to 12 weeks of unpaid leave per year when it's urgently needed at home to care for a newborn child or an ill family member. This bill will strengthen our families, and I believe it will strengthen our businesses and our economy as well.

I have spent an enormous amount of time in the last 12 years in the factories and businesses of this country talking to employers and employees, watching the way people work, often working with them. And I know that men and women are more productive when they are sure they won't lose their jobs because they're trying to be good parents, good children. Our businesses should not lose the services of these dedicated Americans. And over the long run, the lessons of the most productive companies in the world, here at home and around the world, are that those who put their people first are those who will triumph in the global economy.

The business leaders who have already instituted family and medical leave understand this, and I'm very proud of some of the business leaders who are here today who represent not only themselves but others all across America who were ahead of all of us who make laws in doing what is right by our families.

Family and medical leave is a matter of pure common sense and a matter of common decency. It will provide Americans what they need most: peace of mind. Never again will parents have to fear losing their jobs because of their families.

Just a week ago, I spoke to 10 people in families who had experienced the kinds of problems Mrs. Yandle has talked about today. Vice President Gore and I talked to people all across America who moved us deeply. We were saddened to hear their stories, but today all of us can be happy to think of their future.

Now that we have won this difficult battle, let me ask all of you to think about what we must do ahead to put the public interest ahead of special interest, to pass a budget which will grow this economy and shrink our deficit, and to go on about the business of putting families first. There's a lot more we need to do to help people trapped in welfare move to work and independence; to strengthen child support enforcement; to reward those who work 40 hours a week and have children at home with an increase in the earned income tax credit so we can really say we're rewarding work instead of dependence; to immunize all the children of this country so more parents won't have to take advantage of family leave because their children will be well and strong and healthy.

Let all of us who care about our families, our people, the strength of our economy, and the future of our Nation put our partisan and other interests aside and be inspired by this great victory today to have others when Congress returns to this city and we go on about the people's business.

Thank you very much.

NOTE: The President spoke at 9:22 a.m. in the Rose Garden at the White House. In his remarks, he referred to Vicki Yandle, whose daughter's illness resulted in both parents losing their jobs. H.R. 1, approved February 5, was assigned Public Law No. 103–3.

Statement on Signing the Family and Medical Leave Act of 1993

February 5, 1993

Today, I am pleased to sign into law H.R. 1, the "Family and Medical Leave Act of 1993." I believe that this legislation is a response to a compelling need—the need of the American family for flexibility in the workplace. American workers will no longer have to choose between the job they need and the family they love.

This legislation mandates that public and private employers with at least fifty workers provide their employees with family and medical leave. At its core is the provision for employees to take up to 12 weeks of unpaid leave for the care of a newborn or newly adopted child, for the care of a family member with a serious medical condition, or for

their own illness. It also requires employers to maintain health insurance coverage and job protection for the duration of the leave. It sets minimum length of service and hours of work requirements before employees become eligible.

The need for this legislation is clear. The American workforce has changed dramatically in recent years. These changes have created a substantial and growing need for family and medical leave for working Americans.

In 1965, about 35 percent of mothers with children under 18 were labor force participants. By 1992, that figure had reached 67 percent. By the year 2005, one of every two people entering the workforce will be women.

The rising cost of living has also made two incomes a necessity in many areas of this country, with both parents working or looking for work in 48 percent, or nearly half, of all two parent families with children in the United States.

Single parent families have also grown rapidly, from 16 percent of all families with children in 1975 to 27 percent in 1992. Finally, with America's population aging, more working Americans have to take time off from work to attend to the medical needs of elderly parents.

As a rising number of American workers must deal with the dual pressures of family and job, the failure to accommodate these workers with adequate family and medical leave policies has forced too many Americans to choose between their job security and family emergencies. It has also resulted in inadequate job protection for working parents and other employees who have serious health conditions that temporarily prevent them from working. It is neither fair nor necessary to ask working Americans to choose between their jobs and their families—between continuing their employment and tending to their own health or to vital needs at home.

Although many enlightened companies have recognized the benefits to be realized from a system providing for family and medical leave, not all do. We all as a nation must join hands and extend the ethic of long-term workplace relationships and reciprocal commitment between employer and employee. It is only when workers can count on a commitment from their employer that they can make their own full commitments to their jobs. We must extend the success of those forward-looking workplaces where high-performance teamwork has already begun to take root and where family and medical leave already is accepted.

Data from the Bureau of Labor Statistics support the conclusion that American business has been fully responsive to the need of workers for family and medical leave. This data showed that, in 1991, for private business establishments with 100 workers or more, 37 percent of all full-time employees (and 19 percent of all part-time employees) had unpaid maternity leave available to them, and only 26 percent of all full-time employees in such establishments had unpaid paternity leave available. The most recently available data for smaller business establishments (those with fewer than 100 workers) are for 1990, and show that only 14 percent of all these employees had unpaid maternity leave available, and only 6 percent had unpaid paternity leave available.

The insufficient response to the family and medical leave needs of workers has come at a high cost to both the American family and to American business. There is a direct correlation between health and job security in the family home and productivity in the workplace. When businesses do not give workers leave for family needs, they fail to establish a working environment that can promote heightened productivity, lessened job turnover, and reduced absenteeism.

We all bear the cost when workers are forced to choose between keeping their jobs and meeting their personal and family obligations. When they must sacrifice their jobs, we all have to pay more for the essential but costly safety net. When they ignore their own health needs or their family obligations in order to keep their jobs, we all have to pay more for social services and medical care as neglected problems worsen.

The time has come for Federal legislation to bring fair and sensible family and medical leave policies to the American workplace. Currently, the United States is virtually the only advanced industrialized country without a national family and medical leave policy.

Now, with the signing of this bill, American workers in all 50 States will enjoy the same rights as workers in other nations. This legislation balances the demands of the workplace with the needs of families. In supporting families, it promotes job stability and efficiency in the American workplace.

The Family and Medical Leave Act of 1993 sets a standard that is long overdue in working America. I am very pleased to sign this legislation into law.

William J. Clinton

The White House,
February 5, 1993.

NOTE: H.R. 1, approved February 5, was assigned Public Law No. 103–3.

Exchange With Reporters Prior to a Meeting With Prime Minister Brian Mulroney of Canada

February 5, 1993

The President. Hi, Helen [Helen Thomas, United Press International].

Q. Hi.

Prime Minister Mulroney. Hi, Helen. How are you?

Unemployment

Q. What's your reaction to the unemployment numbers, Mr. President?

The President. Better, but still too high: the recession, unemployment was 6.8 percent, lower than it is now. And now we've had 14 months over 7 percent, and I hope it's going down. But until we get it way down, there will still be a lot of unused capacity in the country and a lot of idle people.

Bosnia

Q. Are you going to have a statement soon on Bosnia, Mr. President?

The President. Well, Mr. Christopher is working on it, and we're working on it. I've spent a good deal of time on it in the last 2 weeks. But I don't have anything to say yet. It's a very difficult problem, I'm very concerned about it, and I have spent a good deal of time on it. When I have something to say, I will.

Q. Will that be a topic for this meeting, sir?

The President. We're going to talk about a lot of things. We don't have a typed agenda.

Q. This isn't the first time you've met, is it?

The President. Yes, but we've talked before several times.

Q. On the phone, but not——

The President. This is our first meeting.

Prime Minister Mulroney. And you were probably mentioned in those conversations. [*Laughter*]

[*At this point, one group of reporters left the room, and another group entered.*]

Trade

Q. Prime Minister, will you be seeking some assurances against the winds of protectionism in Congress you mentioned yesterday?

Prime Minister Mulroney. Yes, I will. I think that any time protectionism takes hold in the United States or Canada or elsewhere, it's bad for prosperity. It cripples growth everywhere. And so the President's a free trader, and so am I. And so I expect meeting, but over a period of time. And so I look forward to the meeting. I have been very encouraged by my earlier telephone conversation with the President in regard to trade and other matters.

[*At this point, a question was asked and answered in French, and a translation was not provided.*]

Q. Mr. President, what do you think about the free trade of Canada? Is it important for U.S., do you think?

The President. I think it's very important for both of us. And I think it will have real benefits over the long run. As a Governor, I was one of those who took responsibility for trying to lobby the original agreement through the Congress here. And I hope we can complete the North American Free Trade Agreement, bringing in Mexico, making some changes that I think will be good for the Mexicans and good for the Canadians and the Americans.

But I think that if you just look at the last 50 years, the only way you can have growth within advanced countries over the long run

is to have global growth. The only way you can have global growth is to expand trade.

This is a difficult time. Europe is in distress economically. Japan is having some difficulties. And of course, there will always be discussions among us about whether the rules of trade are fair or not. But our goal must continue to be the opening of trade and the increase in volume of trade.

Q. So do you want to reassure Canadians? Because there's a little fear in Canada about U.S. protectionism.

The President. No, I think Canada is our most important trading partner. I hope that we can do some things that will improve the economy of Canada. I'm very concerned that—our economy has started to pick up now. And normally when it does, Canada follows behind just by a few months. I want some of that growth to come back into Canada now.

One of the reasons I want to try to generate more jobs here is I think that would create more jobs in Canada. The more people we have with incomes and the more consumers we will have, the more economic impact we'll be able to have in Canada to bring that unemployment down there.

Q. What are the problems, if any, in the relationship?

The President. Well, let me say, this is our first conversation face to face. I don't want to dwell on the problems. The opportunities overwhelm the problems. And I'm sure we'll work through the problems.

Prime Minister Mulroney. Maybe I could just say, Mr. President, in regard to that, that our total trade, all in, is in Canadian dollars, about $275 billion. It dwarfs anything that the United States has anywhere in the world. But more importantly, at the end of the year when you factor everything in, from interest payments to dividends. Our trade is in rough balance.

It is extraordinary that the largest trading relationship between two nations in history is in rough balance at the end of the year, which means that with the imperfections that we have, that we've got a pretty good system that is self-governing. And from time to time, the President and the Prime Minister of Canada have to intervene to make sure that this really remarkably productive relationship with both countries is preserved and strengthened.

That's what President Clinton did. He was selling the free trade agreement when he was Governor of Arkansas throughout the United States. So I'm very encouraged by his attitudes and his record in regard to developing world trade.

NOTE: The exchange began at 11:38 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

The President's News Conference With Prime Minister Brian Mulroney

February 5, 1993

Canada-U.S. Relations

The President. Good afternoon. I'm delighted that my first meeting as President with a foreign leader is with the Prime Minister of Canada, Brian Mulroney. On the day after I was elected, I spoke of the essential continuity of our country's foreign policy. Our steadfast relationship with Canada is an indispensable element of that continuity. Prime Minister Mulroney and the people of Canada should know that the United States is still their friend and their partner.

It is worth noting that the United States and Canada share the world's longest undefended border and that we haven't had a battle between us since the War of 1812. Now having said that, Mr. Prime Minister, I will tell you that I look forward to winning back the World Series. [*Laughter*]

Canada has long stood as our partner in promoting democracy and human rights around the world. Today Canada is demonstrating her international leadership for peace and freedom through her commitment of troops in peacekeeping efforts around the world, in Somalia, in Bosnia, and elsewhere. Canada is our largest trading partner. Both our nations benefit enormously from the immense river of goods and services flowing across our border. With an increase of $30 billion just since the free trade agreement went into effect.

It is remarkable how relatively few disputes have attended the vigorous trading between us. Yet it is inevitable that there will be some disagreements even among close partners. And we agreed today to maintain high-level attention to that trading relationship, to ensure that the problems are addressed before they become crises.

The Prime Minister and I discussed the North American Free Trade Agreement. I assured him that my administration intends to move forward with NAFTA while establishing a process to provide adequate protection to workers, to farmers, and to the environment. Canada was our partner in working with Mexico to negotiate NAFTA, and Canada will be our partner as we move forward to put it and its related agreements into effect. We've made a good start here today in setting the stage for working together.

We also discussed the GATT agreement, and I reassured the Prime Minister that the United States will do what it can to secure an agreement at GATT that all the world can be proud of and can be a prosperous part of.

We reviewed a broad range of global issues, including the developments in Russia and elsewhere in the former Soviet Union, the crisis in the Balkans, the situation in Somalia and Haiti. We also discussed our participation in the Group of Seven and what the United States and Canada might hope to achieve this year, and especially this summer when the G–7 meets in Tokyo, to help move the global economy out of recession and into a strong recovery.

This was a very good beginning. I want to thank Prime Minister Mulroney for coming down from Canada, and tell him that he'll always be welcome here. And I look forward to visiting you on your home turf soon.

Prime Minister Mulroney. Thank you, Mr. President. I'll simply say that, as the President indicated, we had a very full review of quite a large number of items in the few hours we spent together and a very productive working lunch. I thought it was a very good meeting and a very good beginning of the relationship of Canada with the new administration.

The President has indicated the complex issues that we've touched on, tried to deal with, principally, of course, and I think you'll understand, the relationship between Canada and the United States itself. The relationship is by far the most important one the United States has in the world. This is the biggest trading relationship ever between two nations. And at the end of the year it's—the important thing is it tends to be in rough balance, which indicates that you can have free trade and prosper.

And so we're very concerned about the GATT and we're very concerned about trading currents generally, and very reassured by the President's strong commitments and strong positions in respect of the manner in which you bring back and reenergize prosperity around the world.

So we covered our bilateral arrangements, and we covered a lot of the hot spots around the world. And I'm sure that the President and I would be happy to take a few questions.

[*At this point, the Prime Minister repeated his statement in French.*]

Thank you very much, Mr. President.

NAFTA

Q. Mr. Prime Minister, what do you think of the changes the President wants to make in the NAFTA agreement?

Prime Minister Mulroney. Well, Helen [Helen Thomas, United Press International], the changes that the—the President doesn't—he indicated—he will, himself, I'm sure, but the President has indicated many times that he is going to sign the NAFTA agreement as it is but that he proposes to bring in supplemental agreements with Mexico, particularly in regard to some of the points that he has mentioned, that do not impact on the NAFTA agreement as concluded. That may change. If it does, I'm sure we'll hear from the President. But our information is that, by and large, that the NAFTA agreement with those supplemental accords is something that he could promote and defend very vigorously.

I think, Mr. President, that's the position.

The President. That's right. And I might add that the Prime Minister's administration in Canada has had a strong record on the environment, something that we want to try to beef up in a supplemental agreement; and that Canada would be, I think, more or less

in line with the United States in terms of its impact on any supplemental labor accord we might reach.

So we certainly intend to work with them. After all, this is a three-way agreement, not a two-way agreement. But I still believe, as I said many weeks ago, that we can negotiate these agreements without reopening the NAFTA itself.

Bosnia

Q. ——the best way to proceed is to attempt to modify the U.N. plan? And how long do you think that negotiations can be relied on before stronger action is taken?

The President. Perhaps the best way to answer your question would be to let the Prime Minister communicate his views which he communicated to me, and then let me tell you what my response is. Shall we do that?

Prime Minister Mulroney. In regard to the Bosnian situation, we think, Susan [Susan Spencer, CBS News], that the elements of an agreement—there's been a lot of constructive work done, but that there are inadequacies in it that can be corrected at the Security Council by the involvement, a greater degree of involvement by the United States in terms of the accord itself, and also the involvement of President Yeltsin.

We believe that the elements of an agreement, impacted by the concern of the United States and Canada in the area of human rights, in the area of war crimes, for example, can be—these amendments can be of significant substance without altering a lot of the hard and constructive work that has taken place so far by Cy Vance and David Owen.

But it would be important that in this process at the Security Council there be greater involvement by Russia and by President Yeltsin. And I took the liberty of making some recommendations along those lines to the President, and he'll reflect upon them and probably have something to say.

The President. Let me answer now to just reaffirm what our present posture is. We have given the Bosnian situation urgent consideration. We have reviewed a wide range of options. We certainly will take into account what the Prime Minister has said. Our reluctance on the Vance-Owen proposals, while I applaud the effort both personally and as President, is that the United States at the present time is reluctant to impose an agreement on the parties to which they do not agree, especially when the Bosnian Muslims might be left at a severe disadvantage if the agreement is not undertaken in good faith by the other parties and cannot be enforced externally.

So we are looking at that. I think one of the things the Prime Minister said is absolutely right: If there is to be a diplomatic political solution to this over the long run, we very much need President Yeltsin involved and the support of Russia. He reaffirmed to me just a few days ago in our telephone conversation his general support for the policy that we have outlined. But I'm sure you can understand why with a problem this difficult, we would like a few days longer just to seriously review this to come up with what our policy is going to be. Then we'll announce it as clearly and forcefully and follow it as strongly as we possibly can.

Haiti

Q. ——is it time to strengthen pressure on Haiti? Do think we should have stronger action——

[*At this point, a question was asked and answered in French, and no translation was provided.*]

Q. Mr. President, the same question, please.

The President. As the Prime Minister has said, our Secretary of State met today with President Aristide and discussed a wide range of issues with him as well as what our efforts have been, the progress and the lack of progress of Mr. Caputo's efforts. We talked about where we're going with this relationship in the future.

Let me say that I am committed to restoring democracy to Haiti. I am doing my best to work through the U.N. and the OAS with Mr. Caputo. I am, frankly, disappointed that the Prime Minister in Haiti has apparently backed off a little bit of his original willingness to let us send in some third-party observers, not just to protect the petitions for refugee status but also to try to stabilize conditions leading toward a restoration of democracy there. And we're going to talk to

Mr. Caputo, see where he thinks things are, and then reassess our position.

But I share the Prime Minister's determination. The United States and Canada should be and are one in our commitment to restoring democracy to Haiti. And we will continue to push ahead either on the course we're now on, or if that fails, on a more vigorous course toward that end.

Israel

Q. What did you tell the President on the deportees in Israel?

Prime Minister Mulroney. We touched peripherally on the Middle East because the Secretary of State is going to, I gather, to the Middle East at an early moment. The position of Canada: My own view is that we tend not to try and give Israel lessons in regard to the determinations it has to make about its own national security. Israel's entitled to make some important value judgments about itself.

That being said, I congratulated the President and the Secretary of State for their leadership in bringing about the first step of the return of the hundred deportees, which I think was an excellent example of diplomacy and international leadership by the President.

It's the first step. It's not the whole answer. And it's a complicated matter which I think will be resolved—where the resolution of which will be clearer after Secretary of State Christopher has had an opportunity to visit the region. But I think that we're supportive of the U.N. resolutions, but I'm always very concerned when people start to lecture Israel on the manner in which it has to look after its own internal security, because for very important historical reasons, Israel, of course, is better qualified than most to make determinations about its own well-being.

Bosnia

Q. Mr. President, on Bosnia, do you expect that there would be an American diplomatic initiative to replace what you see as the flaws in the Vance-Owen initiative?

The President. I can't say that at this time. As I say, I applaud the efforts that have been made by Lord Owen and by Secretary Vance. I think that they have done the very best they could. And I don't criticize the details so much as—it's not a criticism so much as a reluctance on the part of the United States to impose on parties an agreement which they do not freely accept themselves, particularly one that might work to the immediate and to the long-term further disadvantage of the Bosnian Muslims.

But I would not rule out any option at this time. We have a wide range of options under consideration. We are working very hard on this. We will settle on a course and then do our best to consult with our allies and win broad support for it. You heard the Prime Minister say that over the long run we need President Yeltsin's involvement in this, and I agree. You heard me say that we hardly ever do anything in foreign policy that we don't have Canada's support in, and we'll need that.

So we've got a lot of work to do on this. We've been working very hard and we'll try to bring it to a quick closure.

Q. There seems to be disagreement, though, in that the Prime Minister seems to think that that can be built upon—

Q. ——come up with some agreement.

The President. I hope we can revive them. Our biggest problem in this country is the expiration of fast track authority. But we have begun a lot of talks in earnest within the administration about that. I've done my best to send a signal to our trading partners and to the parties to GATT that we very much want a successful agreement. And I'll have more to say about that in the days ahead.

Thank you.

Haiti

[*At this point, a question was asked and answered in French, and no translation was provided.*]

The President. Let me answer that also. I take it by what I believe was your French, of what then was a good translation I got, that you mean by complexity of the situation in Haiti the fact that Father Aristide was plainly elected by an overwhelming majority and is plainly still—has the support of an overwhelming majority of the people; but while, in the brief period when he was in authority, made some statements which caused people in the military and others to

have fear for their security, their personal security, in ways that are inconsistent with running a democracy, which has to recognize human rights—does that present the complexity? Yes, that is the nub of the issue.

We have to be able to restore democracy in a way that convinces everybody that their human rights will be respected and, for an interim period, protected. And obviously, that's what the Caputo mission is designed to do.

But the complexity of the issue cannot deter us from the fundamental mission, which is to restore a democratically elected government that will not abuse the human rights of ordinary Haitians. And I agree with the Prime Minister, we certainly ought to be able to do that here in our backyard and we're going to work hard on it.

Thank you very much.

Prime Minister Mulroney. Thank you very much.

NOTE: The President's second news conference began at 1:44 p.m. on the South Lawn of the White House. In his remarks, he referred to Lord David Owen and Cyrus Vance, Cochairmen of the International Conference on the former Yugoslavia, and Dante Caputo, U.N./OAS Special Envoy to Haiti.

Remarks to the National Conference of Mayors

February 5, 1993

Let me say, first of all, welcome to the White House.

Mayor Jackson, I saw your brother earlier today at the signing of the Family and Medical Leave Act, and he was bragging on you, said you're now as thin as he is. I assured him I would still be able to recognize you when I saw you. [*Laughter*]

This has been a wonderful day here at the White House. Congress adjourned—[*laughter*]—but only after passing the Family and Medical Leave Act. We had a great signing this morning. It was a great bipartisan effort; about a third of the Republicans in the Senate voted for it. And it was a really good way to start the day.

I'm glad you're here. I know you've been meeting with Secretary Cisneros, who's one of your own. There are times when we meet when I can't tell whether he's changed positions or not—[*laughter*]—which I suppose from your point of view is a good thing.

Most of you in this room I know well. I've spent a lot of time in your communities, and you have played a major role in my political education. I assure you that I think every day about many of the places we've been and the things we've seen and the things I have learned from you. I think that the time I spent in our country's cities in this last election, that was in many ways the most instructive time that I spent. And one of the things that impressed me so much is that so many things, against all the odds, are being done that work. And I want you to help me now figure out how to make those things that work the rule rather than the exception in American life.

I told the Governors when they came in here and spent some time with me earlier this week on the subject of health care that if somebody asked me to name my greatest failing as a Governor after 12 years, it was that I never could quite figure out a way to make the exception the rule, to take those things that worked and make them work everywhere.

In that connection, I have been working with Secretary Cisneros and have sent, after working it out with him, a directive to him today to deal with a number of specific things that I know are important to all of you:

First, to establish a weekly mechanism for communication with the State and local leaders of our country on issues of housing and urban development. And I hope we'll have a chance to talk about both of them because they are related, but they aren't the same.

Second, to try to expedite the programs that are already there now, to unclog some $6 billion that have been inexplicably tied up in the pipeline of the Federal Government that have already been appropriated; to speed up by 3 to 4 months the processing of the over $3 billion in public housing funds that are available and to try to accelerate the real implementation of the home program where there's $2.5 billion in largely unmoved funds because of the administrative system

of this Department has been largely paralyzed.

I told Henry when I asked him to take this position that there was some risk because of the pall which had been cast over HUD and the problems of past years and because there had been a lot of rhetoric but not enough action out of the Department in recent years. We're going to do what we can to marry rhetoric and action. We don't promise to shut up, but we promise to try to do some things.

I also want to tell you that I'm going to do the best I can in this upcoming stimulus and economic package to do what I said I would do: to bring down the deficit but to increase investment at the same time in ways that will make available more funds for the cities.

I remember, Mayor White, when we were in Cleveland with Congressman Stokes, you said you thought we ought to increase the community development block grant funds because you could move those more quickly to create jobs. And there will be a fairly sizable increase in that in the proposed stimulus package to try to help you create jobs.

Let me just make a couple of general remarks about where we are on this whole economic approach, and then I'd like to hear from you, and I'd like to just be as informal in conversation as possible.

The economic news is good but mixed and incomplete. That is, starting in the last quarter we have begun to have two pieces of good economic news. One is that productivity is increasing, and that's good. Companies are making more money. They're figuring out how to compete in a tough international environment. Two is that there's a lot more economic activity around housing as low interest rates finally are letting millions of Americans refinance their home mortgages, others get into buying homes, and that's all been good.

Then since the election, there have been two good pieces of economic news that I think the election can fairly claim some credit for. One is that consumer confidence started going up in November and exploded in December, and it's going to be strong in January. The second is that the financial markets generally are upbeat about the direction that our administration has outlined, which means they take us seriously that we're going to try to do what many say is impossible, which is to increase investment and reduce the debt at the same time.

So, that's the good news. The bad news is that in this economy, the downsizing of big firms is continuing apace. It started in the 1980's, when every year of the 1980's the Fortune 500 together reduced employment in the United States by about 400,000 people per year, big, big reductions in employment.

In most years, that was offset by job increases in small and medium-sized companies. Now that is not happening, even though this recovery is in place. So you have this strange thing where the economic indicators are going up in the last quarter like crazy, but the unemployment rate is higher than it was at the depth of the recession. And for 14 months we've had a national unemployment rate over 7 percent. Why is that?

I think there are several reasons, but let me just say there are plainly three. One is that small business cannot afford to hire new workers and make up the slack from big business cuts because of the exploding costs of health care. Two is that small businesses that want to hire workers can't get credit because of the credit crunch, which is more heavily concentrated in some places than others, and particularly in California and southern Florida, in Texas, but generally across the country. The third is that the defense cutbacks have accelerated the loss of high-wage manufacturing jobs without any offsetting industrial strategy or conversion strategy in America, which has been particularly devastating for southern California, for Connecticut, and for one or two other places, but has been generally felt across the country.

So the first thing I've got to try to figure out how to do is how to keep this economic recovery with all these big numbers going but to actually help real people out of it. How are we going to generate some more jobs? One way is to put some more money into basic construction, which would affect you. We're going to try to accelerate the funding of ISTEA, which would help you. We're going to try to put some money into this stimulus package. It will be modest because we don't want to be accused of ignoring the eco-

nomic indicators, but it will be substantial to several areas.

And the other is to outline a 5-year investment plan which will increase our investment in infrastructure, which will have a defense conversion plan, and which will attempt to address these very serious problems that are killing small business, namely controlling health costs and providing basic health care to all Americans and trying to break open the credit crunch.

If you think about it, two best things I could do for you are both indirect. If we could bring health costs in line with inflation and get banks to lending again, economic activity would pick up among people who would then pay taxes to your local government, and you could take that money and do what you need to do.

The best thing I could do for the private sector, if we could bring health costs in line with inflation between now and the year 2000, we would save the private sector 2½ times as much as the public purse, freeing hundreds of billions of dollars a year to be reinvested in the economies of this country.

So, what I'm going to try to do is just that. It's never been done before in this country, having to bring down the deficit and increase investment at the same time. It's going to require some very tough choices. I spent 2 hours yesterday trying to cut the budget in areas that I thought were inessential in order to free up monies that would be invested. And obviously most of our investment money goes directly back to State and local government.

I'm sure that a lot of you will wish we were spending more. But let me say that it is critical, I'm convinced, that we show some discipline in bringing down this deficit, because every point we drop long-term interest rates frees up $50 billion for new investment in this economy.

So I'm going to try to spend more in terms of investment and reduce the deficit, which means I'm going to have to cut consumption even more. And we're working on it. And I hope we can work together closely, and we can do a very good job together.

One of the things that I've been impressed with—Secretary Cisneros' work over at the Department—is he came back saying what a lot of our Secretaries have been saying. He said, "This thing's not working very well." We got all this money out there that's not even being spent. We've got $6 billion in the pipeline. We got $3.1 billion that's been approved that's going to take 4 months too long to get out there. We've got this home program; nobody can access the money because of the administrative problems. So, we can keep you busy for a year or so if we just run the Department right.

And we're going to do our best to do that. I think the floor is now yours.

Thank you.

NOTE: The President spoke at 3:26 p.m. in the State Dining Room at the White House. In his remarks, he referred to Maynard Jackson, Mayor of Atlanta. A tape was not available for verification of the content of these remarks.

Letter to Congressional Leaders on Certification of Major Narcotics Producing and Transit Countries

February 5, 1993

Dear Mr. Chairman:

In accordance with section 490(h) of the Foreign Assistance Act of 1961, as amended (FAA), I am submitting a list of countries which, as of January 1, 1993, have been determined to be major illicit drug producing and drug transit countries. These countries have been selected on the basis of information from the March 1, 1992, International Narcotics Control Strategy Report (INCSR) and from other U.S. Government sources. The list of countries is identical to the one submitted by the Secretary of State on October 1, 1992, pursuant to the provisions of section 481(k)(3) (now repealed) of the FAA and using the definition of a major illicit drug producing country and a major drug transit country given in sections 481(i) (2) and (5) of the same law.

The International Narcotics Control Act of 1992 (INCA) amended the FAA on November 2, 1992, by changing the reporting date to January 1, 1993, and by suspending the sections 481(i) (2) and (5) definitions for fiscal years 1993 and 1994. In fiscal year 1995 the section 481(i) definitions will again apply. Since

the section 481(i) definitions, however, have provided a generally sound and consistent basis for classifying major drug producing and transit countries, we will continue to use them with some practical adjustments to take into account more accurate measurement techniques and the effect on the illicit U.S. drug market. We will not add or remove countries to or from the major drug producers list until we have our own confirmation that conditions in the country so warrant.

We expect to revise the list during 1993 based on information in the next International Narcotics Control Strategy Report and survey information. At this time, there are reports that there may be significant illicit cultivation of opium poppies in Vietnam and in the former Soviet Central Asian republics. When we complete the relevant surveys of these countries, we will decide whether the data justify their inclusion on the list.

The following countries are subject to certification on narcotics cooperation: The Bahamas, Belize, Bolivia, Brazil, Colombia, Ecuador, Guatemala, Jamaica, Mexico, Panama, Paraguay, Peru, Venezuela, Afghanistan, India, Iran, Lebanon, Morocco, Nigeria, Pakistan, Syria, Burma, China, Hong Kong, Laos, Malaysia, and Thailand.

Sincerely,

Bill Clinton

NOTE: Identical letters were sent to William H. Natcher, chairman, House Committee on Appropriations; Robert C. Byrd, chairman, Senate Committee on Appropriations; Claiborne Pell, chairman, Senate Committee on Foreign Relations; and Lee H. Hamilton, chairman, House Committee on Foreign Affairs.

Statement on the Withdrawal of Kimba Wood as a Candidate for Attorney General

February 5, 1993

I understand and respect Judge Wood's decision not to proceed further with the possibility of being nominated as Attorney General. I was greatly impressed with her as a lawyer, a judge, and a person. I respect her legal talents, judicial record, and integrity. I wish her well.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

January 30

In the morning, the President and Hillary Clinton went to Camp David, MD, for a retreat with the Cabinet and White House senior staff members.

January 31

In the afternoon, after the conclusion of the retreat with the Cabinet and White House senior staff members, the President returned to the White House from Camp David, MD.

February 1

In the morning, the President participated in CIA and national security briefings at the White House.

February 2

In the morning, the President participated in CIA and national security briefings at the White House. Later, he met with Democratic congressional leaders at the Capitol.

In the afternoon, the President met with economic advisers.

February 3

In the morning, the President participated in CIA and national security briefings at the White House.

February 4

In the morning, the President participated in CIA and national security briefings. Later, he met with House Democratic congressional leaders at the Capitol.

In the afternoon, the President met at the White House with:

—Senator Dianne Feinstein;

—Girl Scouts from Los Angeles, CA;

—women athletes representing the Women's Sports Foundation on National Girls and Women in Sports Day;

—freshmen Members of Congress.

February 5

In the morning, the President participated in CIA and national security briefings at the White House.

In the afternoon, the President met in the Blue Room with representatives of the American Association of Retired Persons.

In the evening, the President met with economic advisers.

The President designated the following persons to the positions indicated:

James H. Quello as Chair of the Federal Communications Commission on an interim basis.

Elizabeth Anne Moler as Chair of the Federal Energy Regulatory Commission on an interim basis.

Gail C. McDonald as Chair of the Interstate Commerce Commission on an interim basis.

John A. Gannon as Acting Chairperson of the National Council on Disability.

Nominations Submitted to the Senate

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released February 1

Transcript of a press briefing by Director of Communications George Stephanopoulos

Released February 2

Transcript of a press briefing by Director of Communications George Stephanopoulos

Transcript of a press briefing by Deputy Assistant to the President for Domestic Affairs Bruce Reed on welfare reform

Released February 3

Transcript of a press briefing by Director of Communications George Stephanopoulos

Released February 4

Transcript of a press briefing by Director of Communications George Stephanopoulos

Released February 5

Transcript of a press briefing by Director of Communications George Stephanopoulos

Acts Approved by the President

Approved February 5

H.R. 1 / Public Law 103–3
Family and Medical Leave Act of 1993