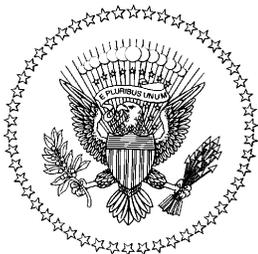


Weekly Compilation of
**Presidential
Documents**



Monday, June 14, 1993
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WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS

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Week Ending Friday, June 11, 1993

Proclamation 6571—Lyme Disease Awareness Week, 1993 and 1994

June 4, 1993

By the President of the United States of America

A Proclamation

Lyme disease has become the most common arthropod-borne infection in the United States since it was first recognized as a clinical entity in 1975. Although most prevalent in the coastal northeastern and north central States, a significant number of cases have been reported in the Pacific Coast States, primarily northern California and Oregon.

Lyme disease is caused by a bacterium that is transmitted from ticks to warm-blooded animals. The major reservoirs of infection are deer and rodents, although the ticks can be carried on dogs, cats, and occasionally birds. Persons who live near or who work in wooded areas are at risk of contracting Lyme disease. Lyme disease can develop into a chronic multisystem disorder that can elicit a wide range of symptoms and run an unpredictable course. Clinical manifestations include arthritis, neurological symptoms, heart problems, and sometimes eye inflammation, hepatitis, and severe fatigue.

Early symptoms may include one or more of the following: A rash at the site of the tick bite, headache, fever, joint pain, and fatigue. Though the disease usually responds to antibiotic treatment at this stage, in later stages it may develop into a persistent chronic infection that affects joints or the nervous system. The bacteria also may be transmitted from an infected pregnant woman to her fetus.

Scientists at the National Institute of Allergy and Infectious Diseases, along with their colleagues at the National Institute of Arthritis and Musculoskeletal and Skin Diseases, are supporting dozens of research

projects on Lyme disease. Along with several other components of the National Institutes of Health and the Centers for Disease Control and Prevention, they are devoting considerable effort to eradicate the disease. Experts from a wide range of disciplines are focusing on improving diagnostic techniques and therapeutic strategies and on developing an effective human vaccine. Animal models of the disease have been developed that promise to hasten progress in all of these areas.

In support of these efforts, the Congress, by Senate Joint Resolution 43, has designated the weeks beginning June 6, 1993, and June 5, 1994, as "Lyme Disease Awareness Week" and has requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim the weeks of June 6, 1993, and June 5, 1994, as Lyme Disease Awareness Week. I urge all government agencies, health organizations, communications media, and private citizens to observe this week with appropriate programs and activities in order to ensure better understanding of Lyme disease.

In Witness Whereof, I have hereunto set my hand this fourth day of June, 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, 10:40 a.m., June 7, 1993]

NOTE: This proclamation was released by the Office of the Press Secretary on June 5, and it was published in the *Federal Register* on June 8.

The President's Radio Address*June 5, 1993*

Good morning. On February the 17th, I presented to our country a national economic strategy to create jobs and increase incomes through investments in our future and bringing our Government's deficit down. This plan is tough, and it requires real contributions from everyone. It was written to improve our economy long-term, but I believed back in February, just as I did in the campaign of 1992, that this plan could produce positive short-term results, and it already has.

Once it became clear that we would take responsibility for bringing our deficit down, interest rates started coming down. Analysts say that if we can keep these interest rates down for a year, we'll put over \$100 billion back into this economy. How? Because people will refinance their home loans or their business loans. Many of you listening to this program have already done that and have saved a great deal of money. Think what an extra \$100 billion can do, through lower interest rates on consumer loans, car loans, college loans, home loans, and business loans. It means more jobs for ordinary Americans, higher business profits, better consumer confidence, and more consumer spending. All that will grow the economy. It's already beginning to work.

Just yesterday, unemployment fell below 7 percent for the first time in a year and a half. In just the last 4 months, the economy has added 755,000 new jobs. And last month, as mortgage rates hit a 20-year low, new home sales reached a 7-year high. That too means more jobs for ordinary Americans, and more Americans realizing the dream of home ownership, building stronger neighborhoods and stronger communities, and making America a better place to live. We're moving on the right track. If we get our priorities right and our Government house in order, more people will be able to order houses for themselves. If we drive interest rates down, jobs and investment will keep going up.

Now the U.S. House of Representatives has acted courageously and decisively to approve our economic growth plan, and it's time for the Senate to do the right thing as well.

In the plan before the Senate, we cut the deficit \$500 billion over the next 5 years, the largest reduction program ever proposed by a President. The plan is balanced and fair. About half the deficit reduction comes from spending cuts and restraints in Federal entitlement programs and health care programs, and about half of it comes from new revenues.

Included in the \$250 billion of spending cuts are reductions in more than 200 specific programs. We also raised some taxes. But this time, unlike the last 12 years, we're doing it in a fair way. Seventy-five percent of the new money comes from people with incomes above \$100,000, people who can better afford it and whose tax rates went down in the 1980's.

Middle class Americans are asked to make a contribution in the form of an energy tax. For families of four with incomes of \$40,000 a year or more, that amounts to about \$1 a month in 1994, \$7 a month in 1995, and no more than \$17 a month when the plan is fully in place in 1996 and thereafter. For working families with incomes under \$30,000, the income tax system has been changed so that the burden will be virtually nonexistent. And for the working poor, people who are working 40 hours a week or less, we put in place the first big block of our welfare reform program. Because if this plan passes, people who work 40 hours a week and have children in their homes will be lifted above the poverty line for the first time in American history.

Now, no one wants to pay any additional taxes or see anybody else pay taxes. And we're working hard to minimize the tax increases and maximize the spending cuts.

But let me remind you, my fellow Americans, all the people who are out here calling this a tax-and-spend program are the same people who, for the last 12 years, have lowered taxes on the rich, raised taxes on the middle class, taken the national debt from \$1 trillion to \$4 trillion, and reduced our investment in our future so that jobs went down and incomes did too. My plan is working to take us in the reverse direction. It does require tough choices. You've had all the easy choices for 12 years and the hidden taxes. We have given you some very simple and

open truths. We've got to be tough enough to bring down the deficit, but we have to be smart enough to keep investing in our people and our technologies to have a growing modern economy.

Next week, the Senate will begin considering this plan for deficit reduction and economic growth. There are principles the Senate should honor when it considers our plan, the things I believe we must have. Number one, we have to cut this deficit by at least \$500 billion over the next 5 years. Number two, there could be no increases in taxes before there are real cuts in spending, and all the savings should be locked up in a trust fund for the 5-year life of the plan. Number three, because of what's happened over the last 12 years, those who are successful enough to be able to pay more should pay more, and we must minimize the burden on the middle class and the working poor. Number four, we have to preserve these incentives to reform the welfare system and to encourage people who are working, so that more people will move from welfare to work. And number five, when we cut spending, we still have to leave some investment resources for education and training, for new technologies, for converting from a defense to a domestic economy, and for incentives for businesses and private individuals to invest in communities that are distressed and to create new jobs and new enterprises. These are the steps we must take to rebuild our economy. We can do it.

Although the changes I am asking Congress to approve are difficult, especially after more than a decade of everybody being told exactly what they want to hear while things get worse and worse and worse, these changes have to be made. Our living standards are at stake, and we must rise to the occasion. That is, after all, the promise of America. A community at its best provides a growing measure of prosperity for everyone who works hard and plays by the rules. But our challenge is to fulfill that promise by ensuring that as we expand opportunity and growth, everyone has a shot to earn their share.

In my lifetime, no one has addressed that challenge with greater courage or constancy than the late Senator Robert Kennedy. On

Sunday, 25 years after his death, I will be joining his family, their supporters and friends in celebrating his short but exceptional life as one of the most candid and unifying public servants our country has ever known.

At a time when so many citizens feel disconnected from their political leaders, Senator Kennedy had an uncommon feel for what people experienced in their daily lives. He fought to expand economic opportunity, to remind citizens that our rights are accompanied by responsibilities. He sought to close the gap between working class whites and African Americans when others tried for political advantage to keep them apart.

Most of all, Robert Kennedy reminded us that whatever our differences with our leaders are and our differences with our policies, we can and should all love our country. And that is why, even as we remember his life and mourn his loss, we must celebrate his spirit because his example is what we should be following today.

I will keep fighting for a society filled with opportunity for every American, free of discrimination, full of the hopes and dreams that Bobby Kennedy fought for. Realizing these dreams would be the greatest tribute we could offer him and the greatest gift we could give to our children.

Thanks for listening.

NOTE: The President spoke at 10:06 a.m. in the Oval Office at the White House.

Remarks at the Memorial Mass for Robert F. Kennedy in Arlington, Virginia

June 6, 1993

Father Creedon, Mrs. Kennedy, the children of Robert Kennedy, and the Kennedy family, to all the distinguished Americans here present, and most of all, to all of you who bear the noble title, citizen of this country: Twenty-five years ago today, on the eve of my college graduation, I cheered the victory of Robert Kennedy in the California primary, and felt again that our country might face its problems openly, meet its challenges

bravely, and go forward together. He dared us all. He dared the grieving not to retreat into despair. He dared the comfortable not to be complacent. He dared the doubting to keep going.

As I looked around this crowd today and saw us all graced not only by the laughter of children but by the tears of those of us old enough to remember, it struck me again that the memory of Robert Kennedy is so powerful that in a profound way we are all in two places today. We are here and now, and we are there, then.

For in Robert Kennedy we all invested our hopes and our dreams that somehow we might redeem the promise of the America we then feared we were losing, somehow we might call back the promise of President Kennedy and Martin Luther King, and heal the divisions of Vietnam and the violence and pain in our own country. But I believe if Robert Kennedy were here today, he would dare us not to mourn his passing but to fulfill his promise and to be the people that he so badly wanted us all to be. He would dare us to leave yesterday and embrace tomorrow.

We remember him, almost captured in freeze-frame, standing on the hood of a car, grasping at outreached hands, black and brown and white. His promise was that the hands which reached out to him might someday actually reach out to each other. And together, those hands could make America everything that it ought to be, a nation reunited with itself and rededicated to its best ideals.

When his funeral train passed through the gritty cities of the Northeast, people from both sides of the tracks stood silent. He had earned their respect because he went to places most leaders never visit and listened to people most leaders never hear and spoke simple truth most leaders never speak.

He spoke out against neglect, but he challenged the neglected to seize their own destiny. He wanted so badly for Government to act, but he did not trust bureaucracy. And he believed that Government had to do things with people, not for them. He knew we had to do things together or not at all. He spoke to the sons and daughters of immigrants and the sons and daughters of sharecroppers, and told them all, "As long as you

stay apart from each other, you will never be what you ought to be."

He saw the world not in terms of right and left but right and wrong. And he taught us lessons that cannot be labeled except as powerful proof. Robert Kennedy reminded us that on any day, in any place, at any time, racism is wrong, exploitation is wrong, violence is wrong, anything that denies the simple humanity and potential of any man or woman is wrong.

He touched children whose stomachs were swollen with hunger but whose eyes still sparkled with life. He marched with workers who strained their backs for poverty wages while harvesting our food. He walked down city streets with people who ached, not from work but from the lack of it. Then as now, his piercing eyes and urgent voice speak of the things we all like to think that we believe in.

When he was alive, some said he was ruthless; some said he wasn't a real liberal, and others claimed he was a real radical. If he were here today, I think he would laugh and say they were both right. But now as we see him more clearly, we understand he was a man who was very gentle to those who were most vulnerable, very tough in the standards he kept for himself, very old-fashioned in the virtues in which he believed, and a relentless searcher for change, for growth, for the potential of heart and mind that he sought in himself and he demanded of others.

Robert Kennedy understood that the real purpose of leadership is to bring out the best in others. He believed the destiny of our Nation is the sum total of all the decisions that all of us make. He often said that one person can make a difference, and each of us must try.

Some still believe we lost what is best about America when President Kennedy and Martin Luther King and Robert Kennedy were killed. But I ask you to remember, my fellow Americans, that Robert Kennedy did not lose his faith when his own brother was killed. And when Martin Luther King was killed, he gave from his heart what was perhaps his finest speech. He lifted himself from despair time after time and went back to work.

If you listen now you can hear with me his voice telling me and telling you and telling everyone here, "We can do better." Today's troubles call us to do better. The legacy of Robert Kennedy is a stern rebuke to the cynicism, to the trivialization that grips so much of our public life today. What use is it in the face of the aching problems gripping millions of Americans, the American without a job, the American without health care, the American without a safe street to live on or a good school to send a child to? What use is it in the face of all the divisions that keep our country down and rob our children of their rightful future?

Let us learn here once again the simple, powerful, beautiful lesson, the simple faith of Robert Kennedy: We can do better. Let us leave here no longer in two places, but once again in one only: in the here and now, with a commitment to tomorrow, the only part of our time that we can control. Let us embrace the memory of Robert Kennedy by living as he would have us to live. For the sake of his memory, of ourselves and of all of our children and all those to come, let us believe again, we can do better.

NOTE: The President spoke at 8:13 p.m. at Arlington National Cemetery. In his remarks, he referred to Rev. Gerard Creedon, a missionary to the Dominican Republic and celebrant of the Mass.

Remarks to the League of Women Voters

June 7, 1993

The President. Thank you very much, Becky, for that wonderful introduction. I want to thank you and Gracia Hillman and all the leaders of the State and local chapters of the League of Women Voters from around the country who are here. I know there are at least three members from my home State here. I'm glad to see you all. Karen Stevens, Bobbie Hill, and Linda Polk, I thank them for coming. This is your house. And I'm glad to have you back here.

When I ran for President, I did so with the conviction that we had to create a new season of opportunity and a new climate of responsibility in America so that together we

could rebuild the American community. And there were some very specific commitments that I made in that regard: an economic program that would be good for America's families and working people; a health care program that would control cost and provide basic coverage to all Americans; a program of national service and reform of the student loan program to open the doors of college education to all Americans; a program to change the welfare system to move families from dependence to independence; and a program of political reform to open the system of this country so that ordinary Americans could pull the levers of power and have their voices heard.

Your presence here today, for the first time since 1980, after decades and decades, the League of Women Voters coming to the White House without regard to party, in a bipartisan fashion, coming back here for the first time since 1980, is a symbol of the importance of opening the political system to informed citizens to let them have influence over the decisions that are made affecting the lives of ordinary Americans. And I welcome you here today.

Not long ago, as Becky said, we gathered here to sign the motor voter bill—again, a strong priority of the League of Women Voters—without regard to party, opening the franchise more to all Americans and especially to many younger Americans who were so terribly interested in this issue. That was a very, very important day for all of us. It was not only good for voter registration, it was in a very fundamental sense a civil rights law and a real advance for all the people of the United States.

Not long before that, I gathered here with other Americans to sign the family leave bill into law, which is a very important thing because it attempts to unite two of our most important values, work and family, guaranteeing ordinary citizens that if they have to take a little time off for a baby to be born or a parent to be cared for, they won't lose their jobs.

These are the kinds of things that Government ought to do with the American people, not to just do things for people but to em-

power people to take care of their own business. That's what motor voter does; that's what family leave does. That's what we ought to be about in this country.

Now, we are moving ahead in the Congress with the economic plan, soon to be followed by the health care plan. And there is a very ambitious agenda of political reform before the Congress. I know that's what you're here about, so I'd like to say just a word about that, if I might.

There are actually two important political reform bills in the United States Congress today. And I urge you to embrace them both. The first one you know about and that is the campaign finance reform bill in the United States Senate. The bill does exactly what we ought to do: it lowers the cost of campaigns, reduces the influence of special interest groups, and opens the airwaves to more honest debates so that incumbents are not unduly protected and wealth is not the primary determinant of whether a person can wage a credible campaign. It is a very, very important advance. And we have proposed to—you can clap for that, I like that [*applause*—we have proposed to pay for this by repealing a tax deduction that is only 30 years old and that is the tax deduction for lobbying. We've proposed to repeal it and pay for campaign finance reform. No other money will go into campaign finance reform except that which is voluntarily contributed by the American taxpayers if this bill passes as it has been proposed. So I urge you to go up there and plead with the United States Senate and talk to the House Members while you're at it and say, give us a bill we can be proud of to give the election process back to the American people. One of the reasons more people voted in the Presidential election in 1992 than had voted in a long time is because of all the debates, all the town meetings, all the open forums, all the ways that people found to say this is your place, not the politicians' place. This is your country. This is your Government; take it back. And campaign finance reform will help us to do that.

The second bill has already been passed by the Senate and is now in the House. It is a bill long overdue, which will require all people who lobby the United States Congress to register and report and will require

the reporting of virtually all funds expended on Members of Congress by lobbyists. It is a very important bill, and I urge you to support that.

Secondly, I appreciate your support for health care reform. Let me say that the First Lady and the hundreds of people who worked on the task force and the people in the administration who are still reaching out over America to the health care providers and the health care consumers and the business community, the labor community, everybody affected by this, deserve a lot of credit. They have done more complex, exhaustive work in less time than any other group like this, I think, in the entire history of the United States. And I'm very grateful to them for that. And soon we will have a health care proposal that I believe will be self-evidently in the interest of the vast majority of the American people, not only to provide universal coverage but to do it in a way which preserves what is best about American health care and brings these costs down before we bankrupt the United States with health care costs and without universal coverage.

Let me say, before we do that, we have got to get the Government's house in order. In 12 years—the 12 years you weren't here; it may be because you weren't here—[*laughter*—in the 12 years you weren't here, the debt of this country went from \$1 trillion to \$4 trillion. Our national deficit was over \$300 billion this year. We have got to do something about it. But the most frustrating thing of all, it's like health care; we spend 35 percent more than anybody else in the world and do less with it. With our Government's deficit soaring, with our debt exploding, we have reduced our investments in the things that make us a richer, stronger, more productive country and that offer our children the chance to seize the American dream.

We have to put our house in order and reverse a lot of those practices, practices that have, to be sure, the stamp of not only Republican Presidents but also Democratic Congresses, practices born of taking the path of least resistance and telling people what they want to hear. It is always more popular to cut people's taxes and send them more money and deplore the Government every

step of the way. But in the end, you have to live with the consequences of what you have wrought. And that is what we are doing today. And we are determined in this administration to change those consequences.

The House of Representatives acted very courageously to pass the largest deficit reduction program ever proposed by an administration. At the same time they did it, I pledged to review the budget to ensure that we maximized our reliance on spending cuts, minimized our reliance on new taxes, and kept the burden on middle class working Americans as light as possible.

As we move into the Senate this week, we will fight for all the \$250 billion in spending cuts contained in this program, including \$100 billion in reductions in entitlements already in this program. We will fight for the fairness of the program, which has over 60 percent of the new taxes coming from people with incomes above \$200,000, over 74 percent coming above \$100,000, which costs the average family with a \$40,000 or \$50,000 income \$1 a month next year, \$7 a month the year after, and \$17 a month at a maximum rate, and which holds harmless working families under \$30,000 a year; and which has the first incentive in the history of the United States of America to lift the working poor out of poverty by using the tax system to say if you work 40 hours a week and you have a child in the house, you will not be below the poverty line. If you want welfare reform, that's it.

Now, later today I will meet with Senator Mitchell, the Senate majority leader, and Senator Moynihan, the chairman of the Finance Committee, and I will tell them that I intend to designate the Treasury Secretary, Secretary Bentsen, to work with them to come up with a budget that the American people will accept and that the Congress will pass. As we complete work on this growth plan, I intend to do everything I can to say I welcome additional cuts. But I will fight to protect the most vulnerable people in this country. And I will fight to protect our investments to create jobs. For in the end, this cannot be about passing budgets or reducing deficits. It certainly can't be about raising taxes or even cutting spending. What it is in the end is about giving us control over

our destiny again; giving us the ability to create jobs and opportunity and increase incomes for the American people.

And let's not lose sight of what has been done. This program which cuts spending, raises revenues, cuts the deficit, and invests in jobs and technology for the future has already by its advocacy and passing, dramatically contributed to bringing interest rates to their lowest point in 20 years; so that you've got a 7-year high in home buying, unemployment below 7 percent for the first time in a year and a half, and 755,000 new jobs in this economy in the last 4 months. I think that's something to be proud of, and I don't understand why people are not glad that those consequences are flowing from these efforts.

I believe the American people want us to move in this direction. Last week the Home Builders Association endorsed the economic program, not a traditionally Democratic group. [Laughter] The Realtors Association has endorsed it. More than half the 100 biggest companies in the United States have endorsed it along with the largest labor organizations in America. This is a program that's good for jobs. The Congressional Black Caucus voted for it unanimously because of the empowerment zones in the program which gives the private sector incentives to invest in putting people back to work in the most depressed areas in America. The business community is pleased because of the incentives for starting new business and for helping small businesses.

If you will look at this program you will see it is no accident why the interest rates are down, the jobs are up, and investment is coming back into America. If we can keep interest rates down, then all this debt that has piled up in the last 12 years at least can be refinanced in terms of home mortgages, business loans, college loans, consumer loans, car loans. And all that lower interest rate will then free up money to invest. That is what is creating these jobs now, and we cannot turn our backs on it.

So I say, let's move on to the Senate. Let's pass the economic program; then let's move on to health care. And let's never forget that it will all work better over the longrun if we pass campaign finance reform and lobbying

reform and continue to fight to open this system to the American people.

Thank you very much.

Supreme Court Nomination

Q. Mr. President, how close are you to a Supreme Court nomination?

The President. Pretty close. I have not made a decision yet, but I'm working on it, talking to people. I expect a decision very soon.

Q. —spoken to anyone about the decision—

Q. Why are you backing off of Babbitt?

Q. —any of the potential nominees?

The President. Stay tuned.

Q. Why are you backing off of Babbitt?

The President. I'm not. I've never—

Q. Babbitt's in the race?

The President. I'm not backing off or on anybody. I haven't made a decision yet.

Q. Is he in the race?

The President. I haven't made a decision yet. When I do, I'll tell you. Thanks.

NOTE: The President spoke at 2:23 p.m. in the Rose Garden. In his remarks, he referred to Becky Cain and Gracia Hillman, president and executive director, League of Women Voters of the United States; Karen Stevens and Linda Polk, member and president, Arkansas League of Women Voters; and Bobbie Hill, member of the boards of directors of both the national and Arkansas leagues. The exchange portion of this item could not be verified because the tape was incomplete.

Exchange With Reporters Prior to a Meeting With Senators Mitchell and Moynihan

June 7, 1993

Economic Program

Q. How far are you on a compromise on the economics program?

The President. Well, we just started. I have asked Secretary Bentsen to work with Mr. Panetta, to work with the Senate, to basically embody the principles that I think are important. We have to have \$500 billion in deficit reduction. We have to have the spending cuts. And no spending cuts—no tax increases without the spending cuts. The defi-

cit trust fund is important. The tax burden has to be progressive.

Right now, over 60 percent of this money is coming from people with incomes above \$200,000, over 74 percent from people with incomes above \$100,000. That has to be kept. And then we have to keep the prowork, projobs portions of this intact. This plan gives the best incentives to small business, to new businesses, and for working poor people to work their way out of poverty, of any tax program we have ever had. And it's not just a tax program. It's an investment program, and it's a spending-cut program. And the whole thing has to be put together. Now, within those principles, these people are going to work out a bill that can pass the Senate, pass the Congress, and can keep the economic growth going.

Keep in mind the main objective is to keep interest rates down, keep the growth going. We've got 755,000 new jobs since January, a 7-year high in housing starts, first time in 18 months unemployment below 7 percent. This thing is working. We've got to keep it going. That's my concern.

Taxes

Q. How far are you on a Btu tax? Would you give a little on that?

The President. I've already—I want an energy component that promotes energy conservation in clean fuels. That's what I want. I believe that's an important part of our future. Everybody knows that if we're going to have high productivity growth and be a rich country, we have to promote that. That's an important principle to me, too.

Q. [*Inaudible*]—on Senator Boren to get that passed?

The President. I'm promoting the principles. These guys are going to work it out. My job is to advocate for the kinds of product—I want the results. I want jobs and incomes and growth. That's what we're producing now. That's my job. I'm confident they'll produce a plan that will give us that.

NOTE: The exchange began at 5:35 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Exchange With Reporters Prior to a Meeting With Congressional Leaders
June 8, 1993

Economic Program

Q. Mr. President, the Republicans have said they won't accept a plan with any taxes. How are you going to bridge that gap with Bob Dole?

The President. I don't know what the bridge will be. Let me just say this, I think it's very important that we move this promptly as possible to pass the economic plan. After the House acted, long-term interest rates dropped again. We now have a 7-year high in housing sales, unemployment below 7 percent—it's the first time in a year and a half—755,000 new jobs since January. And that's because there's a serious attempt to reduce this deficit through a combination of cuts and tax increases, almost all of which come on wealthier individuals. So I think we just need to move forward.

There will be some changes in the Senate, and that is fine. Then we just need to hold to the principles: there ought to be \$500 billion in deficit reduction; it ought to be in a trust fund so that neither the taxes nor the spending cuts can be diverted; and the tax burden ought to be progressive, falling largely on the wealthiest Americans; and we ought to keep the incentives for private sector growth in there. We're moving from welfare to work for investing in the depressed areas of the country for starting small businesses. Those are the principles that I have. And the energy tax ought to encourage conservation and the use of cleaner fuels. Those are the things that I think ought to be done. We'll just see what happens.

Q. Does it have to include—does it have to be a Btu tax, or can you find another energy—

The President. I have delegated to—I don't want to get into the name game here. I'm interested in the principles of the program: deficit reduction, lower interest rates, job growth. We've got job growth coming back into this economy now, and I think we have to continue to do what produces it, which is lower interest rates. The lower interest rates are causing people to refinance all

their debt and putting it back into the economy. And that's the thing I'm interested in.

We'll just see. Secretary Bentsen and Mr. Panetta are representing the administration in the conversations with the Senate. And we'll just see what comes out of it.

Q. Do you think you can start over with Bob Dole—after all the bad blood?

The President. I like Senator Dole. I always have. Besides that, he knows more jokes than I do, and I resent it. Get him to share some with you.

NOTE: The exchange began at 9:35 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of this exchange.

Statement on Signing the Government Printing Office Electronic Information Access Enhancement Act of 1993

June 8, 1993

It is with great pleasure that I sign into law S. 564, the "Government Printing Office Electronic Information Access Enhancement Act of 1993," which will enhance electronic access by the public to Federal information. Under this Act, the public will have on-line computer access to two of the major source documents that inform us about the laws and regulations that affect our daily lives: the *Congressional Record* and the *Federal Register*. With recent advances in information technology, we can go beyond the costly printing of tons of paper documents without diminishing the quick and accurate delivery of important information to the public.

As Vice President Gore and I announced in our February 22nd statement, *Technology for America's Economic Growth, A New Direction to Build Economic Strength*, we are committed to working with the private sector to use technology to make Government information available to the public in a timely and equitable manner. Federal agencies can make Government information more accessible to the public, and enhance the utility of Government information as a national re-

source, by disseminating information in electronic media.

For many years, Vice President Gore has been a leader in this area. He introduced the Senate version of this Act last year and worked closely with Chairmen Charlie Rose and Wendell Ford and others on both sides of the aisle to refine the Act.

This important step forward in the electronic dissemination of Federal information will provide valuable insights into the most effective means of disseminating all public Government information. The system to be established by the Government Printing Office (GPO) will complement, not supplant, commercial information services and Federal agency information dissemination programs. Likewise, it should not supplant existing GPO mechanisms of information dissemination to the private sector. Indeed, the lessons learned from this program will be used by Federal agencies to develop the most useful and cost-effective means of information dissemination. To do this, the GPO initiative must be coordinated with related projects in the Executive branch.

William J. Clinton

The White House,
June 8, 1993.

NOTE: S. 564, approved June 8, was assigned Public Law No. 103-40.

**Message to the Congress
Transmitting the Report of the
Federal Council on the Aging**

June 8, 1993

To the Congress of the United States:

In accordance with section 204(f) of the Older Americans Act of 1965, as amended (42 U.S.C. 3015(f)), I hereby transmit the Annual Report for 1992 of the Federal Council on the Aging. The report reflects the Council's views in its role of examining programs serving older Americans.

William J. Clinton

The White House,
June 8, 1993.

**Nomination for Director of the
Trade and Development Agency**

June 8, 1993

The President announced his intention to nominate New Hampshire management consultant and political activist J. Joseph Grandmaison to be Director of the Trade and Development Agency, U.S. International Development and Cooperation Agency.

"Joe Grandmaison has many years of experience in economic development, as well as in civic affairs," said the President. "His knowledge of how the private and public sectors can work together will serve him well in this new position."

NOTE: A biography of the nominee was made available by the Office of the Press Secretary.

**Nominations for Posts at the Office of
Science and Technology Policy**

June 8, 1993

The President today announced his intention to nominate NASA scientist Robert Watson Associate Director for the Environment at the Office of Science and Technology Policy and Mark Schaefer, Washington office director of the Carnegie Commission on Science, Technology and Government, as Assistant Director for the Environment at the OSTP.

"Bob Watson and Mark Schaefer are scientists who have spent the bulk of their careers studying the connection between science and the environment," the President said. "With their understanding of the important connection between these two fields, I am confident they will ensure American policies work to promote a strong economy and a healthy environment."

NOTE: Biographies of the nominees were made available by the Office of the Press Secretary.

Remarks at the Congressional Barbecue

June 8, 1993

Thank you. Please sit down. Thank you very much. We just want to welcome you here. The big bonus of this evening is there are no speeches and no politics. Hillary and I just want to welcome you here and thank you for coming.

I also want you to know that this tent now has a hallowed heritage. On Saturday night I had my 25th college reunion under this tent, and nobody left until 1:30 a.m. So don't feel bashful if you want to stay awhile.

It is always a privilege to serve our country, but this is a unique time for all of us because of the point in history in which we find ourselves. And I just thought it would be great if we could get together and enjoy each other's company, get to know each other a little better.

I thank you all for coming, all of you for bringing your spouses, your staff members, your friends, and I hope you enjoy yourselves tonight. This is, after all, your place. I'm just a temporary tenant. I'm glad to be here, glad to welcome you here, and I wanted Hillary to say a word, too, because we're both so pleased to be a part of this evening.

Thank you again for coming.

NOTE: The President spoke at 8:55 p.m. on the South Lawn at the White House.

Remarks and a Question-and-Answer Session With the Business Roundtable

June 9, 1993

The President. Thank you. Thank you, John, and thank you, ladies and gentlemen, for the invitation to come here and speak with you today. I appreciate it not only because of the important things that we need to discuss but because you, as the CEO's of our Nation's top businesses, have a vital role to play in providing what our country needs most now, economic renewal and an honest facing of our real challenges.

In recent years, members of the Business Roundtable have often been among the most

enlightened leaders of our Nation, in any walk of life. Many of you have supported the economic program that I have advanced, and for your help I am extremely grateful. All of you know there is a moment in the life of every enterprise when a CEO looks up and realizes that the company has been doing something that simply doesn't work anymore, that the time has come for overhaul and change, and though it will be painful, it has to be done. When that time comes, if you have the courage to do it, you just have to go before the stockholders and tell them that things aren't working, that there's some pain in the short run, but there's a lot of gain in the long run.

Many of you have had exactly that experience in the last 10 to 15 years. You've had to restructure your companies, slim them down, eliminate unnecessary layers of management, embrace quality management, invest more in the training of your work force and in the quality of your equipment and in the competitiveness of your operations.

And as a result of those calls, American companies now are once again the wonder of the world. Detroit turns out much better cars than it did 10 years ago. And guess what? It's gaining market share now in America, something that a lot of people thought would never happen again. Motorola goes head-to-head in Japan and often wins, and manufacturing as a whole has come roaring back. Our workers are proving once again that they are the best in the world. That's exactly what can happen to our Nation as a whole, and what I believe has to happen. If we put our shoulder to the wheel and face the issues squarely, I think it will happen. We'll come roaring back, too.

As a new President, I feel the same as many of you did a few years ago. I look around and I see what I've inherited, and I realize that, just as I said in the campaign, we have been on the wrong track for too long. Just as you've overhauled your companies, we've got to work together to overhaul this country. And I believe that we can. I promise you I'm doing everything I can to get it done.

The people of this country are just like the stockholders in your companies. You can tell them the changes we need. First, the people want to know what's wrong and what the problems are. Then they want to know what the strategy is for solving the problems. And then they want to know what's in it for them, both good and bad. They deserve to have all those questions answered, and I'm doing my best to answer them. They are tough questions but fair ones. They have to be faced.

Four months ago when I came to office, our country was suffering from a long period of economic slowdown, and the Government's deficit figures had been revised upward after the election by \$165 billion over the next 4 years. After World War II, the income of the average American family was doubling about every 25 years, an extraordinary feat that created a vast middle class in our country. Everybody thought these good times would go on forever, that the next generation would always be better off than its parents, that the quality of life and of social justice would continue to increase.

But in the early 1970's, that upward escalator came to a screeching halt, brought on by the global economy, its competitive pressures, and a lot of problems we had in our own country which slowed down the productivity growth rate. The incomes of many Americans started falling and average hourly incomes have been stagnant virtually ever since for the Nation as a whole, in spite of the fact that the average family is spending more hours per week at work than it was in 1969.

Now we look forward to a doubling of our standard of living not every 25 years but every 75 years. That is plainly an unacceptable rate. Many unhappy trends accelerated during the 1980's and into the 1990's. Even though the wealthiest Americans consistently did better, middle class incomes stalled and the percentage of people living in poverty exploded, especially the percentage of people working and still living in poverty. Our leaders continued to promise us something for nothing. There was always an easy answer. There was always a slogan that solved the problems. And slogans are always appealing.

But as Americans, we can't live like that anymore.

You and I know that a major roadblock to our long-term recovery is the Federal deficit. You and I know that it hasn't been tackled seriously in the past. And I want you to know today that I am committed to tackling this deficit, no matter how much political capital I have to spend to do it, because unless we regain control over our economic destiny, none of the other things that I would hope to do as President will be possible.

What I faced when I came to office was the prospect that unless we acted and acted decisively, deficits would soar out of sight in the 1990's. And notwithstanding the dramatic drop in short-term interest rates, we would continue to have the highest real long-term interest rates of any of our competitors. That would cripple the economy. The United States would relinquish its place of leadership. And most importantly, we would leave our children a mean and surly existence of less economic opportunity and more social division.

That's why I believe so strongly that, as a nation, we have to have the courage to change. And so I spent weeks and weeks working on an economic plan for the Nation, one that would dramatically reduce the deficit while also achieving an equally important aim: investing in a very disciplined way in some of the areas we had neglected in the 1980's but that are critical to our growth and productivity, especially education, training, new technologies for the 21st century, and strategies to ease the transition from a defense-based high-tech economy to one based on a dramatically reduced level of defense spending but increased domestic spending.

Now, when I first presented this plan to Congress and to the American people in February, it received rave reviews. The reaction of the financial markets was immediate and very favorable, just as the reaction to the financial markets had been favorable right after the election when we said we would come forward with a strong deficit reduction plan.

As the plan has moved its way through Congress, the outline of the budget resolution passing on time for the first time in 17 years, the House of Representatives passing

the plan rigorously and quickly under enormous pressure, the financial markets have continued to respond in a very positive way. And many of you have stuck with us because you understand that this is a balanced and fair plan. But most Americans don't know about that because ever since February, the last time I had a chance to discuss it entirely directly with the American people, we have seen a barrage of the same old sloganeering that got us in the fix we're in today. There is an easy answer: Just don't raise taxes and cut spending. It's a simple, unqualified thing. This, from the people who raised all the spending and cut the taxes in the 1980's.

I want to say again how very grateful I am for the people who have supported this program, from the CEO's of companies like Anheuser-Busch, ARCO, Ford, Nations Bank, Sarah Lee, Tenneco, TRW, Apple, Xerox, and others, to the Homebuilders Association, the Realtors Association, the American Electronics Industry Association, and others. I appreciate that.

You might be interested to know that a Congresswoman from California told me that after she spent a week at home, after voting for the plan, in town meetings she met with people who were angry at her and who left supporting the plan for two reasons: Number one, they were astonished to find out what it actually did, since they couldn't tell from the rhetoric of the last 3 or 4 months; number two, they were astonished to know who was for it.

The other day, the Homebuilders Association brought their national officers group in to Maryland to meet with me at a home-building site to reaffirm their support for the program because we got mortgage rates at a 20-year low and housing sales at a 7-year high.

There has been a calculated effort to distort and to destroy this program by calling it "tax and spend." Never mind that for years the leaders of this effort gave us "borrow and spend." Never mind that they were the architects of a program that took us from a \$1 trillion to a \$4 trillion debt in 12 years, from an annual deficit of \$74 billion a year to over \$300 billion a year. Spending increased more than at any time during World War II in the last 4 years and so did borrowing. And we're

in a deep hole. But one more time, the apostles of the easy answers seek to divert the attention of the American people with their simple slogans.

I've been through a lot of political wars in my lifetime. I've, on occasion, gotten knocked down. Sometimes I've knocked myself down. But I always try to come back. And this time the administration is going to come back, because we're telling the truth to the American people, and if we don't face this problem now, we're going to let it get out of hand and lose control of our destiny. That is the big issue, and we've got to have the courage to face it.

Because there have been so many distortions, I'd like to go back through this program one more time, to tell you about the principles that have to be preserved as this plan works its way through Congress. First of all, let's take a look at where the deficit is heading. This is what I found based on the previous actions of the last 12 years. If we fail to act, look at where it's heading and look what the plan now before the Congress will do to bring it under control. That's what this first chart shows.

This is the inherited deficit, even after the 1990 plan, the red line. The deficit, with our budget, is the blue line. I want to come back to that in a minute, but you will see what I want to do with the blue line is take it from where it is in 1997 all the way down to zero. The slight increase in '98 is due to something you all know very well; it's the same thing a lot of you find in your balance sheets; that is health care costs.

If you want to go from where it is in '97 to zero, we have to bring health care costs in the Government as well as in the private sector in line with inflation. That is the sole reason for that line going up. But as you can see, there is a huge difference. That's why there's been a drop in long-term interest rates and mortgage rates are at a 20-year low, the promise of moving this line from red to blue.

There are things that I think can be done that will make a huge difference. Now, how do we get to the red line? First of all, in the 1980's, there was a big tax cut in '81 and a huge increase in national defense. And even though there were some restraints in

domestic spending, there was no way in the wide world the domestic spending cuts got even close to the defense increases and the tax cuts.

Then in the mid-eighties, when the defense budget started to go down, by that time, two other bad things had happened from the point of view of the deficit: Health care costs were exploding at 2 and 3 times the rate of inflation, and the interest payments on the debt had become a churning engine that kept going up and up and up and were aggravated by high interest rates, so that we got no benefit from the defense cuts in terms of the deficit because of the health care increase and the rise in interest payments. Interest payments now consume about 15 cents on the tax dollar. And if we don't do anything about the size of the deficit, they will be up over 20 cents on the tax dollar within the next 10 years. These things have to be faced.

Now, let's go to the next chart. My opponents have been distorting the ratio of spending cuts to tax increase in all manner of ways. First they started off saying it was three to one; now they're saying its six to one. Again, I will say that this is the crowd that gave you the deficits of the eighties, and all I used in trying to determine what the ratio of spending to taxes was, was the same thing my predecessors did in defining what was a reduction in Federal spending.

There are some minor differences in the way these things are calculated. Actually, the House Budget Committee has given me more credit for spending cuts as opposed to tax increases than we do. But the rough balance is 50-50. And let me give you an idea of why it's hard to be exact, because of all the word games that are played in Washington. I'll give you two examples: one that's arguably redounds to my favor; one that arguably doesn't.

One of the best things about this program is we increased the earned-income tax credit—I'll say a little more about that in a minute—to reward people who move from welfare to work; to say that if you work 40 hours a week and you've got kids in the house, the tax system should lift you above the poverty line. Now, that's a tax cut, right? Because the earned-income tax credit in-

volves an outlay by the Government, some people count it as a spending increase, even though it's a tax cut. I think it's a tax cut. That's the way we count it.

Let me give you another example. Previous Presidents had counted anything that restricted Social Security benefits as a spending reduction in entitlements. Now my adversaries say my proposal to extend income tax consideration to 85 percent of the incomes of the top 20 percent of Social Security earners is a tax increase. In a literal sense, it's a restriction on entitlements and a tax increase. You can argue it either way.

Which is better policy? We could restrain cost-of-living allowances to Social Security recipients, or we could apply taxation to the incomes of upper-income recipients. The fairer way to do it plainly is to ask the people who can afford it to pay more as opposed to holding down the cost-of-living allowances to people just above the poverty line. One is called a tax increase; the other is called a spending reduction. It's six of one and half a dozen of the other.

So there are some arguments around the edges. But basically, this plan is roughly equally divided between spending cuts and tax increases. And as those of you who follow this closely know, we are moving into the Senate where we hope and believe there will be less tax and more spending cuts to further improve the ratio.

But I do want to emphasize that there are significant and very real spending cuts in this program and, as all of you know again, that 75 percent of the new taxes are paid for by people with incomes above \$100,000, two-thirds of people with incomes above \$200,000, me and everybody else in this room included in that.

The spending cuts I want to talk to you about, they're made in discretionary programs, entitlement programs, and interest payments on the national debt. You can't make cuts of this size unless you basically disappoint every interest group in the Congress. For example, in agriculture, we have made cuts in commodity support, crop insurance, and rural electric. We've asked Federal employees to forego the automatic pay increases tied to inflation they have been getting for years and years and years to the tune

of \$13 billion. We're trimming 150,000 people from the Federal payrolls by attrition and saving \$11 billion in overall administrative cuts.

We're replacing the existing system of guaranteed student loans in a way that will save \$4 billion and is wildly unpopular from the people who were making money from the student loan program because it was a Government guarantee with no risk. If you ask about Medicare, there's about \$60 billion in cuts from Medicare from the red line I showed you. There are cuts in Medicaid. There are cuts in military and civilian retirement, delaying payments for them to reduce our payments on retirement this year and in the years ahead. No part of the Federal budget has been fully spared.

Of the cuts that are made—I don't think I have a chart on this—but of the cuts that are made, basically we cut over twice as much and apply it to the deficit as we cut and apply to new spending. I've been criticized because I've advocated some new spending programs. I plead guilty to that. But I want you to know exactly what they are.

I plead guilty to believing that it is worth it to have the Government replace some of these defense cuts with investments in domestic commercial technologies and new partnerships with the private sector. That's what our competitors do. I think we have to compete.

I plead guilty to wanting to fully fund the Head Start program, because we've got all these underprivileged kids out there that need to be very privileged and empowered adults, and I think we ought to fully fund the program as part of an overall strategy to meet the national education goals. I plead guilty to that. I think it's worth the money.

There are some targeted and limited funds in there to help every State in the country work with the private sector to set up a system of apprenticeship for all the people who don't go to college, and a system of lifetime learning, because the average worker will change jobs seven or eight times in a lifetime. It's not a lot of money, but it needs to be spent. I plead guilty. I think it is worth the investment.

These kinds of things matter to a society over the long run. The irony of the last 12 years is that because of, first, our reliance on defense spending to boost the economy, and then when defense spending was cut, our explosion of health care costs and interest payments, we have actually reduced our investments in a lot of the things that make us a richer country, even as this deficit has exploded.

So, those are the things that have been cut. A member of the more liberal wing of the Democratic Party called me the other day and said, "We have done you a terrible disservice. You told us we had to cut this spending, and we did it. And because there was no conflict, there was no publicity on it. Now nobody in America thinks you cut any spending. And you cut retirement; you cut Medicare; you cut Medicaid; you went after Social Security. You cut all these discretionary spending programs, and nobody knows it." Well, I'll predict you'll hear more about it in the days and weeks ahead from the people who feel that they have been rolled and gotten no credit for it. There are a lot of budget cuts in this program, and there will be some more. But the lion's share of the work has been done there.

As I said before and as you can see—and I might as well make full disclosure since I'm here with you—the effect of the new taxes is highly progressive, with almost all the real burden falling on people in the top 1 percent of the income category, and 75 percent of the money being paid for by the top 6 percent. Now, that tracks income growth and tax reductions in the eighties. That is, it reverses the fact of the eighties where middle class taxes were increased through the Social Security tax while middle class incomes declined. But we do ask, through the energy tax, a contribution from virtually all Americans, not including those with incomes under \$30,000 with one or two kids in the family. Otherwise, everybody else is asked to pay something.

Now, as I said, I want to mention a couple of other things. In addition to the spending programs, there are some incentives in this program that a lot of people asked for; maybe some of you in this room did. But I want to run through them, because they cost

money, too, but I think they're worth it. And you have to decide whether you think they are.

The small business community for years has been asking us to increase the expensing provisions from \$10,000 to \$25,000 on the theory that they're creating most of the new jobs, and this will help them to do it. So that's what this bill does. The Venture Capital Association for years has been asking us to adopt a venture capital gains tax that would provide huge incentives for people to start new enterprises. We do that in this bill. It costs some money. I think it's worth it.

After the Tax Reform Act of 1986, many businesses, including businesses in this room, said there had to be some changes in the alternative minimum tax provisions of the Tax Code if we wanted people to continue to invest in plant and equipment in this country because of the unfair way the alternative minimum tax works. And we changed it in this Tax Code. We were asked to do it by many people. I think it makes sense. We did it. It's in the Code. It costs money.

For years, Republicans and Democrats alike who actually live out there where people are struggling to make a living have believed that if we wanted to do something meaningful for inner cities and poor rural areas, we had to try to get the private sector more involved, and we had to use market mechanisms. And there are any number of suggestions under the so-called enterprise zone rhetoric about that.

We have, in this proposal, an empowerment zone concept which is by far the most ambitious incentives program ever offered to try to get the private sector involved in distressed areas in America on an experimental basis: to pick 15 or 20 communities and say, if you hire people from there, you get a credit; if you invest there, you get a permanent credit; and to provide all kinds of other resources in terms of training and support to people who will try to make the private sector work. It's almost 100 percent a private sector initiative. But it costs money.

Is it worth it? I think it is. There's not enough Government money in the world to rebuild, south central Los Angeles or some of the most distressed areas in other cities in our country, or the Mississippi Delta

where I live. But it costs money. But we have to try, I think.

So you have spending reductions. You have tax increases. You have some new spending, and you have a significant amount of private sector incentives in this bill. I think it's all worthwhile.

The most interesting thing is the signals that have been sent to the markets and the result. Now, if I had told you in December—to me this is the most amazing thing of all, and I can't take credit for this. This chart, in some ways belongs to my friend John Scully at Apple Computers. He came in last week, and he said, "Bill, I know you must be low, and I read all the press and the polls and everything." He said, "I am happy as a clam." And I said, "Are you happy as a clam because you're a Republican, and I'm in trouble?" He says, "No, I'm happy as a clam because I'm an American." He said, "If somebody had told you 4 months ago that by June 1st unemployment would drop below 7 percent for the first time in 17 months, that we'd have 755,000 new jobs, over 90 percent of them in the private sector, that we'd have a 20-year low in mortgage rates and a 7-year high in housing sales, and that people would be responding to the program to seriously reduce the deficit and grow the economy, would you have been happy?" He said, "I don't know why everybody's not happy." He said, "I make a living thinking about the long run and thinking about what's happening. This is working."

I believe it's working, too. Now, the program is going into the Senate, and they will change it some in cooperation with the House Members, I might add. There's an unusual amount of cooperation here among people who really want to do something. There will be at least one meeting a day between Senators and House Members before the Senate even votes, something that's almost unheard of. People just trying to work together to work this out.

Here's what I think ought to come out of that. There should be some less tax and some more spending cuts. We should have \$500 billion in overall deficit reduction, all the cuts in the taxes ought to be in a trust fund so they can't be put anywhere else. There ought to be an enforcement mechanism for the first

time that requires the President—because who can foresee what's going to happen 5 years from now? It would be hard for all of you to adopt 5-year budgets with absolute certainty. Nobody can do that. This bill has an enforcement mechanism that says if we miss the deficit target every year, the President has to come in and offer a plan to fix it. Not just shrug your shoulders and say, oh, it's too bad, the economy was down, or something else went wrong, but a plan to fix it, to live with the discipline that the numbers will impose. That's something new, and it ought to stay in there.

The third thing that ought to be in there is the progressivity of this program. Middle class Americans are being asked to pay a modest amount, much less than most of them think now because of the rhetoric of the last few months but a modest amount. It still ought to be progressive because of the tax history and the income history of the last 12 years. So it should be progressive.

We should leave the empowerment initiatives there. The empowerment zones, the small business incentives, the new business incentives, the changes in the alternative minimum tax, in my judgment, ought to be left in there. We should have the targeted investments. And I believe there must be some sort of broad-based energy tax.

I must say that when I first started on this—and my economic adviser over here, Bob Rubin, as most of you know, has laughed a lot when he sees people say, oh, this is such a liberal program—Rubin, Bentsen, and Panetta, my three deficit hawks, were the people who convinced me that it was worth it even to raise a little more tax if we had to do it to get the deficit down and the interest rates down to get the country going again, not the liberals in my Cabinet who were worried about all of that. The others, the business people did it, the people who understood the financial markets. They said, "We've got to get the interest rates down, and we've got to get the deficit down, even if we have to take a little more heat for the taxes."

So we are trying to come to grips with this. But I know when we started I was told by person after person after person in New York, "If you want to have an influence on

interest rates, you've got to do two things: deal with entitlements and have an energy tax, because that looks real to us." Well, we did those things and cut a lot of other spending besides.

So, is this a perfect program? No, there's no such thing. Is it a good one? You bet it is. You can tell by the results. Is the Senate going to work on it? Yes, it is. The Senate will work on it. Then the House and the Senate and the White House will confer. And we'll try to come out with a program which meets these principles. I believe we will.

The main thing I want to say is, it is hard to quarrel with results. And I hope to goodness it is going to be very hard to go back to the same old siren song we've heard time and time again. I've heard all these people say, "Well, just cut spending." It turns out they always want somebody else's spending cut. And we have cut a lot of spending. There are some kinds of spending that everybody in this room wouldn't support. If we don't have it quite right, you can tell us what you think.

Now, let me just also say, the House passed the modified line-item veto. And if the Senate would pass that, I'll give you some more spending cuts. If the Senate will give me that, I'll be happy to give you some more spending cuts and bring it down a little more. And I'm hoping that will come out of this whole budgetary process, so the President can have some more discipline on spending.

But the thing we have to do most of all is to act. We have to act. We have to act, because that is the only thing that will produce results. I believe that we're going to do that. I think you will see the Senate act. I think you will see the Senate and the House come forward with a program that meets the basic principles that I have outlined. I think you will see America in control of its economic destiny. I think interest rates will stay down and growth will stay up, and we'll continue to generate jobs for this economy.

But it requires a lot of courage. When all you hear, day-in and day-out, are people trying to paralyze action with the same old rhetoric that put us to sleep for 12 years and got us in the fix that the first chart showed. I like these results better than that first chart.

And if you do, I hope you'll support our efforts.

Thank you very much.

Moderator. Mr. President, we thank you for a very substantive and significant speech. The President, ladies and gentlemen, has offered to answer some questions, so I'll turn it over to him for that purpose.

The President. Is somebody carrying a microphone?

Taxes

Q. Mr. President, as one who just refinanced my own home mortgage, I want to thank you for that.

My question really goes to the apparent demise of the Btu tax, which was announced by Secretary Bentsen yesterday, and obviously, the work with Congress that's required in the last administration or this one to make anything really happen. I heard you say that another broad-based energy tax would be recommended. I appreciate any comment you'd have on that and why you think another broad-based energy tax might get more reception or, rather, not have the same treatment that the Btu tax did.

The President. Well, let me say I'm still not sure how it's all going to come out. And let me try to answer this very carefully. Secretary Bentsen did not so much announce as to grudgingly acknowledge—[laughter]—the state of play in the Senate. And it's quite interesting, because he's from an energy State, and he came to this Btu tax after going through a lot of other issues.

Let me tell you what the state of play in the Senate is, first of all. You've got essentially a Senate Finance Committee where no Republicans will vote for this bill because they are not going to be for any taxes. And the Boren substitute is a massive shift of the burden to elderly people and the working people just above the poverty line. And if it got on the floor of the Senate, I bet it wouldn't get 20 votes. So there is no other viable alternative out there.

But with an 11-to-9 majority, the Democrats cannot lose any votes on the Senate Finance Committee and get any bill out. Now, Secretary Bentsen had what I thought was a great suggestion for modifying the Btu tax which would essentially have drastically alle-

viated, all but eliminated, the burden on production, whether industrial or agricultural, but would have otherwise left the tax in shape, so that it applied to all forms of energy and, therefore, was less burdensome to any region of the country but got out of the whole business of whether we were being uncompetitive with people from—when we exported our products or whether imports would acquire a competitive advantage, and whether we were putting too much of a burden on energy-intensive forms of industry which had led the House to make too many exceptions to it. So if you just essentially had a blanket alleviation of the production sector, which is what Secretary Bentsen was talking with them about, it looked to us like that was the best thing.

There had been so much said about the wording of the Btu tax—and, I must say, some legitimate concern about the whole administrative difficulty of starting a new one—the Senate seems disinclined to go forward. That does not mean that the House will give up on a modified Btu tax. I don't know what's going to happen from here on in. And we have not agreed to anything or disagreed with anything. We have been in consultation with the Senate and would go to any meeting they asked us to. But they're going to have to come up with their own program. And they know what the principles I have outlined are. And I just gave them to you. So I don't know what's going to happen now.

Senator Breaux has some ideas that he wants to float and some others have some ideas. I think you'll have plenty of time to react to them. A lot of them want to rely more on a broad-based transportation tax, but that also has some economic difficulties even if you raise less money.

The number one thing: 100 percent of us agreed and the House members agreed that we would lower the dollar volume of the energy tax, the total money raised, and make it up in various kinds of cuts. And I think that's where everybody is now. Everybody is there.

And let me just run a few other things out here. There is also a discussion about whether or not there should be a delay in the effective date of the taxes, the income taxes. That's being discussed, the economic grounds for

that. And there are all kinds of discussions about that.

I want to red flag one issue for all of you who provide comprehensive health policies for your employees, though, again, because sometimes things are not what they seem. We cut about \$60 billion in Medicare expenditures over and above the red line I showed you. That is, that was a big part of our deficit reduction. There are those who say, "Well, we ought to cut a lot more, and we can freeze provider fees and we can do all this kind of stuff with Medicare." I would urge all of you as employers to look at that very closely because, again, it's a sleight of hand. You know, yes, we can cut the fool out of Medicare. But if we don't have some sort of comprehensive resolution to the health care crisis, what will happen? The same thing that's been happening the last 12 years: All those people will send you the bill.

There will be massive cost-shifting with certain kinds of Medicare cuts unless it is part of an overall health care strategy, which just means a hidden tax on employers and their employees, which is the very thing I'm trying to get away from, anything hidden. And it contradicts one of the essential goals of our long-term strategy, which is to bring health costs in line with inflation and fairly apportion the burden throughout society, which it's not now. Most of you are paying too much and your employees are because of the way the thing is.

So I'm not trying to avoid your question, I'm just trying to tell you I do not know what the Senate will do. My position has been to try to tell them what my principles are; make Secretary Bentsen and Mr. Panetta available to them to discuss everything; ask them to be faithful to the House by involving the House Members in the discussions, because a lot of House Members passed this budget on the understanding there would be some less tax and some more spending cuts and that they would be a part of it. And I don't know what's going to come out of there yet.

Deficit Reduction

Q. My question is this: We in the Roundtable, of course, have made deficit reduction a major issue for a long, long time. And we applaud your efforts in that regard and cer-

tainly are hopeful that the \$500 billion sort of reduction over the 4- or 5-year period will be forthcoming. And we're working, as you know, with your administration and Bob Rubin and Leon and others. But even if that objective is achieved, it's clear we have a very significant continuing deficit problem. What is it, \$1 trillion over the next 4 or 5 years? The deficit only goes from the baseline number of 3.3 percent to about 2.7 percent of GDP. We still have a big, big deficit problem.

My question is, how do you feel about the proposals for process reform that I gather are gaining some currency in the Congress, to put the spending caps on the entitlement programs, the nondiscretionary programs, as well as the discretionary programs, with the fire walls and with the sequestration. How do you look at that whole issue of process reform to deal with this underlying problem of a deficit that doesn't seem to come under manageable proportions?

The President. I want to answer it, but I'd like to ask for—where did those charts go? Are they still up here? I just wanted the first one back to try to highlight the point you're making. Just bring me back the first one, the one with the red and blue lines.

This is what he's talking about. This line here ought to go down to here. And I want to answer your question, but I've got to put it into context. This deficit here is actually about—it's more, it's about—it's over 5 percent of GDP, and we're going to cut it from 5.2 down to about 2.7 or 2.6 here, to a pretty good cut. But it does continue to increase the total national debt by what's down here.

Now, in the mid-seventies, I started looking at what other countries had done on this. This is not an unusual problem for a Western country with a lot of support systems coming out of the Government and difficulty generating jobs and income. I mean, a lot of these Western countries are in the same shape we're in, and I include Japan with that.

Japan had a huge operating deficit in the mid-seventies. And they had a 10-year plan to bring it into balance which they did over a 10-year period, thinking that to rush it any faster might cause a recession, but to delay it would be a terrible mistake. So I thought to myself, maybe we could do it in 8 or 9 or something like—in that range, if we could

just deal with this. This is where you have to take the curve down.

Now, to get the curve down, I can just tell you, we have to do a number of things. But let me say what we cannot do, and then what we must do, and then I'll come back to your cap device. There is a limit to how much we can responsibly cut defense within a short time. I think we are right at that edge. I do not want to cut any more in this 5-year budget. Based on what we now know, we are at that limit, unless there—the only other way you can do it that I know of, is, the Vice President has this reinventing government task force on. If we can have significant procurement reform, we might be able to have some savings. But in just terms of “slash and burn,” we don't need to do any more in my opinion.

Secondly, as I said earlier, there are some things that any government has to do to maintain its competitiveness. And thirdly, there are just human concerns that have to be taken care of, even though they're subject to constraints of the budget. For example, a lot of people don't know this, but actual out-of-pocket costs on welfare and food stamps haven't kept up with inflation in the last 10 or 15 years. The reason those costs have gone up is that there's a whole lot more poor people. You've got 1 in 10 Americans on food stamps now.

But this number, anyway, to go back to his comment, is being driven by two things. One is the entitlements and the fact that things like retirement, wages, Social Security, and whole lot of other things have automatic cost escalators. The one that is not a problem is Social Security. Social Security is no more of our national income than it was 20 years ago, and the tax is higher. And it's producing a \$60 billion a year surplus that makes our deficit look smaller than it is. If anything, the payroll tax is too big. But it is producing that.

On the income tax side, what you've got, though—here's the problem with paying for the rest of that stuff that's paid for with income taxes. We are now indexing income taxes, which is fair. That is, people don't get pushed into higher brackets by inflation. But the flip side of that is, if you index income taxes downward and you index income upward for people who are getting tax money,

you don't have to be a mathematical genius to realize that there is a conflict there. Then, if you have health care costs increasing at 2 and 3 times the rate of inflation—because you've got more people on the Government rolls, about 100,000 a month losing their health insurance; you have more people on the Government rolls, prices going up and the ability to churn the system, if there's a fee-for-service system, you've got some real problems.

There are several suggestions which have been made that would essentially require us over the next 5 years to adopt a disciplined system of bringing the cost of entitlements in line with inflation, plus population, to be fair. They're all acknowledging that if there's a growth in poverty or an unexpected downturn in the economy, we would take that into account. I would be open to that as a part of the health care reform issue. That is, what I would like to see is the budgetary discipline on the entitlement issue taken up with health care reform for this reason: If we impose the entitlement caps and we don't face health care reform because it's too controversial or we can't bear to do it, then if the entitlement caps trigger, we will be massively shifting our cost to you, like I said earlier.

The other tough decisions can be made within the budget discipline. But the health care cost issue which is driving it, in my judgment, should be dealt with at the time we impose the overall entitlement restrictions over a 5-year period. That protects the employers and the employees of the country from having mass cost-shifting and forces us to make the tough decisions in Government. But anyway, I know it's a long answer, but I had to explain it in the context that we're operating.

There was a question over here, I think.

Superfund

Q. The Business Roundtable believes that the only way to fix Superfund is to make some fundamental change in the law. If you agree, would you support a legislative fix?

The President. To change the Superfund?

Q. Yes.

The President. Oh, sure I would, but I would want to know what the details are first. [Laughter] But I agree that it needs to be

changed, and I'm certainly open to changing it. Lawyers are making more money than cleanup folks are right now.

Let me say as a general proposition on the spending issue, too, there are two other opportunities that the Congress and the President will have to deal with—Government spending and the efficiency of Government programs this year—in addition to this reconciliation process which is going on, and that is that all the appropriations committees are reviewing all their spending.

Keep in mind, what you see now in the budget only includes tax cuts or tax increases and the entitlement programs and the overall spending limits. The specific programs, whether they're cut, increased, or kept the same, that's all handled by the Appropriations Committee, and that's going on now, too. And that will offer other opportunities for dealing with the spending issues.

And the third thing that's going to happen is in September the Vice President is going to come in with this report about reexamining the whole functioning of the Federal Government, and that will open a new avenue of opportunities for dealing with a lot of these issues also.

Is there another question back there? I thought I saw one more hand up. The boss here says we can do one more. Am I going to get out without one more? I accept if—go ahead. I'll do two more. Mr. Morecott once let me play golf with him, so I owe him a question. [*Laughter*]

Trade

Q. Mr. President, we heard this morning, some of us, from Mickey Kantor about trade issues, North American trade agreement, Uruguay round and negotiating with Japan. Can you just comment on those subjects briefly, starting with NAFTA?

The President. Yes. I'm for it, number one. [*Laughter*] I'm for it.

Number two, we can't pass it in the House of Representatives today, but I think we'll be able to when the time comes.

Number three, the reason we can't pass it and what we're doing with the Mexican and the Canadian Governments are tied together but not—it's not an exact fit, but let me—you know that there's just an awful lot

of economic insecurity out there now in this country. And a lot of the Members are rebelling against NAFTA because they see it as the first trade agreement we've ever made where we're making investment easier in another country for the purpose of setting up production to sell in our market, not theirs.

So that's the basic tension, because of the wage differentials. My argument back is the argument that most of you would make, I think, which is that, first of all, you've got a free-market oriented government in Mexico that has unilaterally dropped trade barriers and taken us from a \$5 billion deficit to a \$6 billion surplus in trade, creating an awful lot of jobs in America.

Secondly, two-thirds of our new jobs in the last 3 or 4 years have come from expansion of trade. Our unemployment problems today are directly related to the fact that our economy, even though it's in a fragile recovery, is in better shape than a lot of other economies which is making our trade situation worse because people don't have the money to buy our products.

What will happen in Asia and in Europe is unpredictable in the years ahead, but we believe we need to establish a relationship not only with Mexico but with the other market economies to the south. Opportunities with Chile, with Venezuela, with Argentina, with all kinds of other countries could open up. So I'm for it.

What Mickey Kantor—he's already talked to you about this—but we're trying to get an agreement on labor standards and the environment with the Mexican and Canadian Governments which would enable us to have some sort of enforcement mechanism, not only if there is one violation but if there is a whole pattern and practice of violations as found by a neutral finder of facts. So that's what we're trying to work out. My gut feeling is that will get worked out pretty soon. We'll go forward with it, and we will pass it. That's what I think will happen.

On GATT, as you probably saw in the press this morning, the French Government has withdrawn some of its objections on the agriculture points of view. That makes me elated. I think that's where—that's a real winner for us and is likely to face less opposition in Congress.

Not very long ago I met with the central bankers and the finance ministers of the G-7, and I told them that on behalf of the United States I would make exceptional efforts to get a GATT agreement if they would, and I thought we ought to stop talking about it and do it and do it before the year is over because we all needed the global growth. And so I'm hopeful there, and I think the French action is a big plus. And I thank them for that.

On Japan, basically, we're trying to move toward a more results-oriented trade policy with Japan, not to get to the managed trade quota point that they're criticizing us for, but in recognition of the fact that there are several areas, where by any objective measure, we are competitive in price and quality for various products and services. And while they don't have stated tariffs and quotas and barriers that keep us out, we, nevertheless, aren't in and don't get in and can't get in. And so what we're trying to do is to find our way into dealing with that issue on the theory that it's just—I don't want to close American borders to Japanese products, but I do expect more opportunities for Americans in Japan if we're going to play this.

And if you look—I know the Japanese have been very harsh in their criticism of our new approach. But that could be because it might work. And I know that they've been harsh in their criticism, but I also know that, notwithstanding all of the problems around, they not only have a massive surplus with us, they're about the only country I know that's got a massive trade surplus with all the Third World countries they deal with, all of them.

So I just think a new approach is called for. And I say that not in the spirit of hostility. I think I probably have more pure admiration for Japan and what they do right and well than any other person that's ever held this job. But I know what's happened to American productivity growth in the last 5 or 6 years. And I know what we can do there if given the chance. And I think we've got to do our best to do it.

If you think we're on the wrong track, feel free to tell us. But I believe we've got to keep pushing forward to try to show you some results from all this talking. We've been

talking until we're blue in the face for a long time now. I'd like to show a little bit of result.

Q. That was the question I had.

The President. Let me just say to all of you, we're going to need your help on NAFTA because to pass it, the Congress, and particularly the House, must believe that over the long run it is good for American jobs and incomes. I believe it is. I believe it is. I wouldn't be for it if I didn't think it was. And it just doesn't make sense to me that we can ever grow this economy unless we expand the number of our trading partners and unless we are doing more trade with people whose incomes are rising rather rapidly.

The Mexicans have reached out their hand to us. I want to reach out my hand to President Salinas. And I think we can get over this negotiating impasse we're at now and then go forward. And that's what I intend to do.

Thank you very much.

NOTE: The President spoke at 3:22 p.m. at the J.W. Marriott Hotel. In his remarks, he referred to John Ong, chief executive officer, B.F. Goodrich.

Statement by the Press Secretary on Kuwait's Lifting of the Boycott of Companies Dealing With Israel

June 9, 1993

We welcome the announcement by the Government of Kuwait that it has lifted the economic boycott of companies that do business with Israel. Elimination of this boycott has been a high priority for the President since he assumed office. The administration has repeatedly pressed Arab Governments and our allies to end this economic discrimination. In this regard, during his visit to the Middle East in February, within a month of assuming office, Secretary of State Warren Christopher emphasized the priority that this administration places on elimination of the boycott during his visit to Kuwait and other Arab capitals. We have continued to press

the issue since then through a variety of bilateral and multilateral contacts.

Kuwait's action also represents an important step forward in opening additional business opportunities for American companies in the Middle East. We will continue to urge others in the Middle East to follow Kuwait's lead and eliminate their adherence to the boycott. We will also continue to work with our allies in Europe and Japan to take further steps to eliminate the boycott.

Remarks and an Exchange With Reporters Prior to a Meeting With the Domestic Policy Council

June 10, 1993

Economic Program

The President. I want to make a statement now that we have the Domestic Policy Council here, about what is going on in the Senate.

First of all, I'm very encouraged that the Senate Finance Committee is working hard in trying to push the process forward. I want to reemphasize that, to me, in the end, we have to have certain basic principles satisfied: \$500 billion in deficit reduction in the trust fund so that all the spending cuts and taxes have to be protected for that; \$250 billion of spending cuts. The taxes have to fall primarily on those best able to pay them. Right now, over two-thirds of the taxes fall on people with incomes above \$200,000, 75 percent on people with incomes above \$100,000. I want the energy tax to be pro-conservation and as broad-based as possible. And I want the initiatives for growth and jobs in there, the earned-income tax credit to encourage the working poor to move out of poverty, the empowerment zones for investment in our cities, the incentives to create jobs. Those are the principles that I want.

I want to remind you all, too, that the Senate and House will naturally have some disagreements. But when we wind up in conference, we can perhaps get the best bill of all. The main thing, until the Senate acts, we can't go to conference and get a final bill to continue this progress.

What the final shape of the energy portion of this will be no one can now say because that will have to await the conference. But I am very encouraged that progress is being made, and I do appreciate the fact that the Senate began consultations with the House yesterday, which is consistent with the commitments that were made on that.

Q. Where is the progress?

Q. Well, what do you say to Democrats in the House who feel like they walked the plank on the budget for nothing at this point?

The President. They didn't walk the plank on the budget for nothing. Their budget is going to be part of the conference. And they are being consulted now, and no decision has been made by the Senate yet.

You know, Chairman Moynihan and Senator Mitchell started with the Senators who are most hostile to the Btu tax. But they have 11 Senators on a committee they have to satisfy. And then they have to get a majority in the body of the Senate. So no decisions have been made yet. And most of those House Members with whom I talked in the process of passing the bill through the House only wanted to make sure that the House would also be consulted before the Senate committee finally voted. And we took steps to ensure that, and they began the consultative process yesterday.

Q. You've got the Black Caucus apparently so upset that they're not coming to a meeting here. What do you tell those people?

The President. That is not why there's not going to be a meeting here. But the Black Caucus, if they want to advocate for the Btu tax, you know, I like it. I think it's the best and fairest tax. And I think the Secretary of the Treasury made a very good proposal for a modification of it. But neither they nor I have a vote on the Senate Finance Committee. And so we'll just—but it will be—the Btu levy will be in the conference, and no decision has been made. I have not signed off on any energy proposal in the Senate yet. I believe that the proposal we made is the best one we have. But neither they nor I have a vote on the Senate Finance Committee.

Let me say, in the end, the most important thing is that we bring the deficit down, that we cut spending, that we raise taxes on the wealthy, and that we invest money to grow

this economy. That's the most important thing. We've got to find a way to do that consistent with what has happened already. And I'm very encouraged. I don't think—the American people shouldn't be upset by what's going on. The House—they should go talk to their Senators if they have a different view, and they want them to take a different view toward these particular taxes. That's what I'm trying to do, is to get the House and the Senate to work together before the Senate Finance Committee even votes.

Macedonia

Q. Why are there troops on the ground in Macedonia, Mr. President?

The President. To limit the conflict. As we said all along, we would support the United Nations in limiting the conflict. It's a very limited thing. No combat but an attempt to limit the conflict.

NOTE: The President spoke at 10:07 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of this exchange.

Remarks on Signing the National Cooperative Production Amendments of 1993

June 10, 1993

I want to thank Senator Leahy, Senator Biden, Congressman Brooks, and Congressman Fish for being here today and for their leadership in helping to enact into law the bill I am about to sign. I want to thank the Attorney General for her presence here and for the work that the Justice Department did on this bill, H.R. 1313, called the National Cooperative Production Amendments of 1993.

This bill was the embodiment of the concept that the Vice President, who has just come in—come on up. Good to see you. He's magical. I uttered his name, and he appeared. [*Laughter*] This bill is the embodiment of the concept that the Vice President and I strongly espoused during our campaign last year. It will allow American companies, large and small, to pool their resources to compete and win in the international marketplace.

Our Nation leads the world in basic research. We also have to be second to none in moving new technologies from the laboratory to the marketplace. We have to unleash the creativeness and the inventive prowess of both corporate giants and start-up enterprises in order to spur economic growth and new jobs.

The cooperative arrangements envisioned by this legislation will become increasingly necessary as the costs and skills required to develop and manufacture new products exceed the resources of any single company. These alliances will also help our businesses reduce the time required to bring new products to market, which frequently determines who wins and who loses in today's competitive marketplace. Successful companies, in turn, will create high-wage, high-skill jobs that will help to revitalize our economy.

By clarifying and eliminating misapprehensions about antitrust risk, this legislation will allow joint ventures that can increase efficiency, facilitate entry into markets, and create new productive capacity that otherwise would simply not be achieved.

I'm confident this legislation will benefit both the consumers and the workers in the United States by strengthening our industrial base while maintaining a sound antitrust oversight to prevent improper collusion. Now is the time to strip away outdated impediments to economic growth and to our potential and to begin real movement in this last decade of the 20th century.

I'm pleased that the committee report stresses that this legislation is consistent with our international obligations. Our administration will implement this legislation in a way that honors the commitments as set forth in our treaties of friendship, commerce, and navigation, bilateral investment treaties, and free trade agreements, and various organizations for economic cooperation and development.

Again, I want to commend Chairman Brooks, Senator Leahy, Senator Biden, Congressman Fish, and all the other Members of the Congress who worked so hard to make this bill a reality and the leadership of both the House and the Senate. This is an example

of how you can have a real bipartisan coalition to make America work again, to help our business and our working people to move forward in the global economy. And I am very excited about it.

And I know that the Vice President joins me in thanking the congressional sponsors for their strong leadership. And I want to thank all the people here around me who helped to make the bill a reality, members of the congressional staffs and of the high-tech community.

NOTE: The President spoke at 5:15 p.m. in the Oval Office at the White House. H.R. 1313, approved June 10, was assigned Public Law No. 103-42. A tape was not available for verification of the content of these remarks.

Remarks on Signing the National Institutes of Health Revitalization Act of 1993

June 10, 1993

The President. Ladies and gentlemen, I want to welcome all those of you who are here today for the signing of S. 1, the National Institutes of Health Revitalization Act of 1993, and to especially recognize the bipartisan coalition which made this bill possible, led by the Senators and the Members of the House of Representatives who are here. I also want to thank the representatives of the groups who are here, including the Women's Health Network, the Juvenile Diabetes Foundation, the American Association of Medical Colleges, the Allen Guttmacher Institute, the Alzheimer's Association, the Human Rights Campaign Fund, the Breast Cancer Coalition and the National Health Council, and perhaps others. If I've left anyone out, forgive me.

This legislation highlights the importance of programs administered by the National Institutes of Health, programs vital to our science and biomedical research base. The research carried out at NIH has already led to a healthier and far more productive America. However, there are many challenges still ahead. And this legislation provides the hope that someday we can prevent or cure diseases such as diabetes, cancer, coronary heart disease, AIDS, and Alzheimer's.

I'm particularly supportive of those provisions of S. 1 aimed at improving the health

of women and minorities. It's important that we ensure that resources are devoted to increasing our knowledge about conditions which uniquely affect these populations. It's equally important that we expand opportunities and support for the inclusion of women and minorities in research activities.

In the 12 years since AIDS was first reported in the United States, much progress has been made through NIH-supported research. Gains have been made in making available treatment for AIDS and AIDS-related conditions. And clinical trials are underway to test possible vaccines for prevention or treatment of HIV infection.

Someday we're going to have a treatment for all those beepers that go off. [Laughter] They have to go to a vote. That's why we're hurrying this up.

We still face, however, an immense undertaking to address the needs of the nearly 300 of our fellow citizens who become infected with HIV each and every day. We must improve the effectiveness of our prevention activity, increase access to early treatment for already infected individuals, and strengthen our research programs. I am pleased to say that S. 1 provides a framework for the increased coordination and direction of AIDS research.

Finally, S. 1 reinforces my action of January 22d to lift the moratorium on Federal funding of transplantation research involving human subjects using fetal tissue from induced abortions. This research has promising application for the treatment of life-threatening conditions including Parkinson's disease, spinal cord injuries, Huntington's, and diabetes. At the same time, S. 1 puts in place important safeguards to ensure against possible abuses by providing a clear separation between research and abortion.

In signing the legislation, I underscore our commitment to address the immeasurable cost to our society and the suffering of our citizens from illness and disability. By strengthening and enhancing biomedical and behavioral research, this National Institutes of Health Revitalization Act is an important step in fulfilling our commitment to promote the health and well-being of all Americans.

And again, let me say a profound thanks on behalf of our Nation to the Senators and Members of Congress who are here and to those not here who provided important leadership in this effort.

[At this point, the President signed the bill.]

Q. Mr. President, what about the provision barring immigration by HIV-positive individuals in this bill?

The President. That's the will of the Congress. That's part of the law. I don't think in any way it undermines the overall importance of this law. We have to learn to deal with AIDS better for all of our people and for those who are here within our borders who are not citizens, we've got all we can do to do that. And I think we could benefit people all around if we can make progress in dealing with AIDS.

I think everybody who played a part in the developing of this legislation thinks that it's on balance still a dramatic step forward.

Let me just say on the fetal tissue issue alone, I can't tell you how many people I met all over this country in 1992 from both political parties who came to my campaign and supported me simply because I wanted to put a scientific basis back in our decisions on fetal tissue, I mean, people with parents with Parkinson's, with children with diabetes. One person who became a very close friend of mine and is now in our administration as the Director of the Small Business Administration in part came to my campaign because he had a child with diabetes.

This is a very, very important bill. And I thank all of you for what you did.

NOTE: The President spoke at 5:37 p.m. in the Roosevelt Room at the White House. S. 1, approved June 10, was assigned Public Law No. 103-43.

Letter to Congressional Leaders on the Situation in Somalia

June 10, 1993

Dear Mr. Speaker: (Dear Mr. President:)

On December 10, 1992, President Bush reported to the Congress that U.S. Armed Forces had been deployed to Somalia to assist the United Nations effort to deal with

the human catastrophe in that country, to avert related threats to international peace and security, and to protect the safety of Americans and others engaged in relief operations. This action was part of a multilateral response to U.N. Security Council Resolution 794, which authorized Member States, under Chapter VII of the U.N. Charter, to use all necessary means to establish a secure environment for humanitarian relief operations in Somalia. Since that time, my Administration and its predecessor have endeavored, through briefings and other means, to keep you informed about the progress of U.S. efforts in Somalia. I am providing this further report, consistent with the War Powers Resolution, in light of the passage of 6 months since President Bush's initial report on the deployment of U.S. Armed Forces to Somalia.

As you are aware, the U.S.-led operation, known as Operation Restore Hope, was responsible for stemming the tragic situation and saving many lives by ensuring that desperately needed relief efforts in behalf of the civilian population could proceed. Owing in large measure to the success of the U.S.-led Unified Task Force in Somalia (UNITAF), the responsibility for the continuing operation was transferred in an orderly fashion to the operational control of the U.N. Operation in Somalia (UNOSOM II) on May 4, 1993, pursuant to U.N. Security Council Resolution 814. This Resolution similarly invoked Chapter VII of the U.N. Charter and endowed UNOSOM II with the right to use force to ensure that the mandate is implemented.

The United States continues to support U.N. efforts in Somalia by providing approximately 3,000 U.S. logistics and other support personnel under the operational control of UNOSOM II. In addition, approximately 1,100 U.S. troops remain in the area as a Quick Reaction Force (QRF), under the operational control of the Commander in Chief, U.S. Central Command, for use in emergency situations. The UNOSOM II deputy commander, a U.S. Army general who is the U.S. contingent commander, is authorized to send the QRF into action as may be necessary.

On June 5, 1993, UNOSOM II forces operating in Mogadishu encountered attacks instigated by one of Somalia's factional leaders, resulting in the deaths of 23 Pakistani military personnel. Three U.S. military personnel assigned to UNOSOM II sustained minor injuries. As envisioned in response to such situations, the QRF was called upon to assist in quelling the violence against the lawful activities of UNOSOM II in implementing the U.N. mandate. On June 6, 1993, the U.N. Security Council adopted Resolution 837, reaffirming the authority of UNOSOM II to take all necessary measures against those responsible for these armed attacks.

Our forces will remain equipped and prepared to accomplish their humanitarian mission and defend themselves, if necessary; they also will be provided such additional U.S. support as may be necessary to ensure their safety and the accomplishment of their mission.

I have continued the deployment of U.S. Armed Forces to Somalia pursuant to my constitutional authority to conduct U.S. foreign relations and as Commander in Chief and Chief Executive and in accordance with applicable treaties and laws. This deployment is consistent with S.J. Res. 45, as adopted by the Senate on February 4, 1993, and as modified and adopted by the House on May 25, 1993.

Effective U.S. foreign policy requires close cooperation between the President and the Congress, and this imperative is particularly important regarding issues surrounding the use of our Nation's Armed Forces. I remain committed to ensuring that the Congress is kept fully informed on these matters and that the public good is served through constructive discussions and cooperation between our two branches.

Sincerely,

Bill Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Remarks Announcing the Nomination of Walter Mondale To Be Ambassador to Japan and an Exchange With Reporters

June 11, 1993

The President. Good morning. Please be seated. I want to thank all of you for coming here today for the announcement of my nomination of Walter Mondale to be our next Ambassador to Japan. Former Vice President Mondale will succeed Ambassador Michael Armacost, whose service was very valuable. And I want to thank him for it and acknowledge that here today.

This nomination has produced a lot of happiness, not only for me and for our administration but for the people of the State of Minnesota and the people of the United States who have admired Walter Mondale for a very long time.

Fritz Mondale is not only someone I consider a friend but also someone that I and millions of Americans consider a leader of enormous wisdom, courage, compassion, and stature. Like his mentor, Hubert Humphrey, Fritz Mondale is a hero to the people of Minnesota, because he embodies the virtues of the Midwest, because he fought so boldly for those things in the United States Senate, and because he never lost the basic values of his childhood and his adulthood after he became a leader on the national and world stage.

We have a lot in common. We both began our careers as State attorneys general in our home States at a relatively young age. And just as I am the first President from Hope, I am reliably informed that I can assert today that Fritz Mondale is our Nation's first Ambassador to Japan from Elmore.

Fritz Mondale has devoted his entire life to serving our Nation and to building bonds of understanding around the world. He has served our country in the military, as a State attorney general, as an outstanding Senator, and, of course, as Vice President and our party's nominee for President. In all these public roles, as well as in the experience he has gained in the private sector since, he has earned the right to be considered extraordinarily well qualified to assume the task of

enhancing our relationship with Japan and projecting American leadership in Asia and the Pacific region.

I also want to say a special word of acknowledgment and appreciation to Joan Mondale, who is here with us today and who I believe will also be an outstanding ambassador for the United States in Japan. *[Applause]* Thank you very much.

Fritz Mondale is no stranger to Japan and her people. He has traveled there often, both in public and private roles. It is moving to recall that as Vice President, Fritz Mondale swore in another Ambassador to Japan who came from the United States Senate and who also served with tremendous distinction, Ambassador Mike Mansfield, and who is here today and who, I might add, at his young age, is probably one of the few people in this audience today who has already walked 5 or 6 miles. *[Laughter]*

Former Senator Mike Mansfield. Six.

The President. I chose someone of—*[laughter]*—what did he say? Six, he said. *[Laughter]* We never were able to short him.

I chose someone of Fritz Mondale's stature to be my Ambassador to Japan because there is no more important bilateral relationship in the world than that which exists between the United States and Japan. This alliance has supported 50 years of peace and stability in Asia and the Pacific. And the course of economic, political, and security dynamics in the Pacific and throughout Asia will be determined by how well our relationship functions. The challenges and changes facing both Japan and the United States as we move toward the 21st century require us to take a fresh look at our relationships and to take new actions to strengthen the foundations of our alliance.

When Prime Minister Miyazawa and I met here at the White House in April, we agreed to forge a new partnership between our nations aimed at restoring world economic growth, advancing democratic values, and creating the basis for regional peace which can endure well into the next century. To fulfill our shared vision of a new Japan-U.S. partnership, we must sustain our security commitment, work on global problems, and address forthrightly and urgently our often troubled economic relationship. The eco-

nomie pillar of our relationship needs some repair, and I think we all know that. And Prime Minister Miyazawa and I agreed to give it our personal attention.

It is particularly appropriate that this announcement occurs today, for today we are beginning negotiations with the Japanese to craft the details of an economic framework intended to spur global growth, open markets, and deal with trade and investment issues affecting America's economy and America's workers. This framework, which the Prime Minister and I hope to unveil at our meeting in Tokyo, will get our economic problems out of the headlines and on to the negotiating table where we can best resolve them.

I will look to Fritz Mondale, statesman, negotiator, counselor, and representative of our people, to make the bonds that already exist between our two nations even stronger. Fritz Mondale's skills give me great hope and confidence that my goals with Japan can be achieved in a way that benefits both of our nations and the prospects for worldwide democracy, peace, and global growth.

I don't think our Nation could ask for a more capable representative abroad, and I appreciate the willingness of Fritz Mondale and Joan to accept this challenging assignment. I wish them well, and I know that the people of America, and I believe the people of Japan, are very happy today about this development. Mr. Mondale.

[At this point, Mr. Mondale expressed his gratitude to the President, stated briefly the importance of the relationship with Japan, and answered several questions from the reporters.]

Economic Framework

Q. Mr. President, what are the prospects for having this framework ready in time for your meeting in Tokyo next month?

The President. Well, we're working hard. We started the formal negotiations today, and I'm hopeful. If you noticed, I used the word hope. I hope it will be ready to announce in Tokyo. And we've done a lot of preliminary work on it, and I'm encouraged. But I can't say for sure it will be done, because I can't prejudge the outcome of the

negotiations. I hope it will be, and a lot of work has been done.

Q. Do you have a Supreme Court Justice today?

Q. Is that possible, sir?

The President. Good morning. [Laughter]

Q. It's a daily question.

The President. I don't have anything else to say about it.

Q. [Inaudible]—framework?

The President. We want to make some real progress on these very thorny trade difficulties that have proved to be so resistant to change. And you know that the framework of our debate has been pretty well explored in the press. But I think we've got a real shot to reach an agreement here, and we're going to keep working on it.

I think the Japanese are very sensitive about the kinds of economic pressures that are now on them that are somewhat new and different in the last couple of years. And I think both of us recognize that there will have to be an evolution in not only our relationship but in the whole balance of global trade if we're going to have sustained global growth, which is what is in the interest of Japan and the United States. We can't really hope to maintain high levels of growth and high levels of incomes in our jobs unless we get a much more brisk rate of growth throughout the world. And if you look at the whole history of the post-World War II era, it indicates that. If you look at where our jobs have come from in the United States just in the last 5 or 6 years, that's indicated about two-thirds of our new jobs being tied to trade. So it's obvious that we have to have a much higher rate of global growth.

Thank you very much.

NOTE: The President spoke at 10:15 a.m. in the Rose Garden at the White House.

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.

June 5

In the evening, the President hosted a reunion gala for former Georgetown University classmates.

June 6

In the evening, the President attended a reception at Hickory Hill, the Kennedy estate in McLean, VA.

June 9

In the morning, the President and Hillary Clinton attended Chelsea Clinton's eighth grade graduation ceremony at Sidwell Friends School.

June 10

In the afternoon, the President met with:

- Jean Nickel, winner of the National Sclerosis Society's Mother of the Year award;
- Bob Jester, winner of the National Sclerosis Society's Father of the Year award;
- Dana Stephenson and Beth Troutman, recipients of America's National Teenager Scholarship Program; and
- Gabrielle Fleekop, participant in the Make a Wish Foundation program.

The President announced his intention to appoint Merrill D. Peterson, Thomas Jefferson professor of history emeritus at the University of Virginia, as the chairman of the Thomas Jefferson Commemoration Commission. The President will also name the following six other members to the Commission:

- John T. Casteen III, president, University of Virginia;
- James K. Golden, professor emeritus, Ohio State University;
- H. Draper Hunt, professor of history, University of Southern Maine;
- Russell E. Dickenson, former director, National Park Service;
- James R. Thompson, former Governor of Illinois; and
- George Taylor Stewart, president, the Foundation for Jefferson's Poplar Forest.

June 11

In the afternoon, the President had lunch with Judge Stephen Breyer.

Later in the afternoon, the President received diplomatic credentials from the fol-

lowing Ambassadors: John de Chastelain of Canada, Rouben Robert Shugarian of Armenia, Edmond A. Mulet Lesieur of Guatemala, Mukhamed Bobir Malikov of Uzbekistan, and Amos Bernard Muvengwa Midzi of Zimbabwe.

The White House announced that the Domestic Policy Council has formed a Working Group on Welfare Reform, Family Support and Independence to be chaired by Bruce Reed, Deputy Assistant to the President for Domestic Policy; David Ellwood, Assistant Secretary of Health and Human Services for Planning and Evaluation; and the Assistant Secretary of Health and Human Services for Children and Families, after a nominee for that position is confirmed by the Senate.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted June 7

William H. Dameron III,
of the District of Columbia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali.

Peter W. Galbraith,
of Vermont, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Croatia.

Benjamin Leader Erdreich,
of Alabama, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 2000, vice Daniel R. Levinson, term expired.

Benjamin Leader Erdreich,
of Alabama, to be Chairman of the Merit Systems Protection Board, vice Daniel R. Levinson.

Tara Jeanne O'Toole,
of Maryland, to be an Assistant Secretary of Energy (Environment, Safety and Health), vice Paul L. Ziemer, resigned.

Victor P. Raymond,
of the District of Columbia, to be an Assistant Secretary of Veterans Affairs (Policy and Planning), vice Jo Ann Krukar Webb.

Doug Ross,
of Michigan, to be an Assistant Secretary of Labor, vice Roberts T. Jones, resigned.

Withdrawn June 7

Lani Guinier,
of Pennsylvania, to be an Assistant Attorney General, vice John R. Dunne, resigned, which was sent to the Senate on April 29, 1993.

Submitted June 8

Robert E. Hunter,
of the District of Columbia, to be U.S. Permanent Representative on the Council of the North Atlantic Treaty Organization, with rank and status of Ambassador Extraordinary and Plenipotentiary.

June Gibbs Brown,
of Hawaii, to be Inspector General, Department of Health and Human Services, vice Richard P. Kusserow, resigned.

Bruce A. Lehman,
of Wisconsin, to be Commissioner of Patents and Trademarks, vice Harry F. Manbeck, Jr., resigned.

Withdrawn June 8

John A. Rollwagen,
of Minnesota, to be Deputy Secretary of Commerce, vice Rockwell Anthony Schnabel, resigned, which was sent to the Senate on April 19, 1993.

**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 June 7

Transcript of a press briefing by Counselor to the President David Gergen and Director of Communications Mark Gearan

Transcript of a press briefing by Press Secretary Dee Dee Myers

Statement by Chief of Staff Thomas F. (Mack) McLarty on changes in the White House staff

Released June 8

Transcript of a press briefing by Press Secretary Dee Dee Myers

Released June 9

Transcript of a press briefing by Press Secretary Dee Dee Myers

Transcript of a press briefing by Director of the Office of Management and Budget Leon Panetta on the principles of the President's economic program

Released June 10

Transcript of a press briefing by Press Secretary Dee Dee Myers

Fact sheet on the National Institutes of Health Revitalization Act

Announcement of appointments of Chairman and members of the Thomas Jefferson Commemoration Commission

Released June 11

Transcript of a press briefing by Press Secretary Dee Dee Myers

Statement by Press Secretary Dee Dee Myers on the establishment of a Working Group on Welfare Reform, Family Support and Independence

**Acts Approved
by the President**

Approved June 8

H.R. 1723 / Public Law 103-36
Central Intelligence Agency Voluntary Separation Pay Act

H.R. 2128 / Public Law 103-37
To amend the Immigration and Nationality Act to authorize appropriations for refugee assistance for fiscal years 1993 and 1994

H.J. Res. 78 / Public Law 103-38
Designating the weeks beginning May 23, 1993, and May 15, 1994, as "Emergency Medical Services Week"

H.J. Res. 135 / Public Law 103-39
To designate the months of May 1993 and May 1994 as "National Trauma Awareness Month"

S. 564 / Public Law 103-40
Government Printing Office Electronic Information Access Enhancement Act of 1993

S.J. Res. 43 / Public Law 103-41
Designating the week beginning June 6, 1993, and June 5, 1994, "Lyme Disease Awareness Week"

Approved June 10

H.R. 1313 / Public Law 103-42
National Cooperative Production Amendments of 1993

S. 1 / Public Law 103-43
National Institutes of Health Revitalization Act of 1993