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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, June 25, 1993

Message to the Congress Transmitting the Latvia-United States Fishery Agreement

June 17, 1993

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94–265; 16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the Government of the United States of America and the Government of the Republic of Latvia Concerning Fisheries off the Coasts of the United States, with annex, signed at Washington on April 8, 1993. The agreement constitutes a governing international fishery agreement within the requirements of Section 201(c) of the Act.

United States fishing industry interests have urged prompt consideration of this agreement to take advantage of opportunities for seasonal cooperative fishing ventures. I recommend that the Congress give favorable consideration to this agreement at an early date.

William J. Clinton

The White House,
June 17, 1993.

NOTE: This item was not received in time for publication in the appropriate issue.

Remarks on the 40th Anniversary of the Newport Jazz Festival

June 18, 1993

Thank you very much. I can say this, that when she's listening to my jazz she wishes I would practice more. [*Laughter*] I am delighted to have all of you here at this, our first televised concert from the White House. Both Hillary and I are very excited and pleased to welcome you here. It's especially appropriate that we should be together here at America's house to celebrate that most American of all forms of musical expression, jazz.

One of the greatest things that ever happened to jazz was a simple 2-day event that took place in Newport, Rhode Island, way back in 1954. The Newport Jazz Festival was an immediate hit, and it grew and grew. It captured the imagination of young musicians all across the country and eventually across the world. No event has done more to nurture the careers of jazz artists; none has done more to thrill and delight jazz fans. The festival's influence has been truly profound, inspiring more than 2,000 other jazz festivals every year all around the world. Indeed, the French Government recently recognized that impact when it awarded the festival's producer the Legion of Honor.

Tonight we're having our own White House jazz festival as a special tribute to the 40th year of Newport Jazz and, of course, to its founder and its fine producer, George Wein. George, stand up. Where are you? There he is.

You know, jazz is really America's classical music. Like our country itself and especially like the people who created it, jazz is a music born of struggle, but played in celebration. This unique musical and cultural art form is now more than a century old. It's paused periodically in its evolution to give us ragtime and boogie-woogie and swing and bebop and cool and free jazz and fusion, only then to continue its restless rebirth into forms that have yet to be named or even imagined. Original and enduring, adapting and growing, jazz is simply one of our Nation's greatest creations.

Many good people swing to the sound of jazz and rally to its cause. And one of them is our host tonight, the son of a jazz legend. In his father's name, he's established an institute which introduces young people to the beauty of jazz and encourages up-and-com-

ing jazz musicians. And he is a brilliant musician in his own right and a good friend of the President and the First Lady. Ladies and gentlemen, please welcome Thelonious Monk, Jr.

[*At this point, Mr. Monk hosted the musical program.*]

We want to say a wonderful, heartfelt, happy thank-you to all the performers; thank you to Thelonious Monk, Jr., the Thelonious Monk Institute of Jazz, and its executive director, Tom Carter; and a very, very special thank-you to George Wein, the producer of the Newport Jazz Festival. Thank you for the wonderful tradition that you have created.

You know, if you look at the different ages and backgrounds of all the gifted performers assembled on this stage, we're reminded once again that jazz is a true reflection of the American people: a music of inclusion, a music of democracy, a music that embraces tradition and the freedom to innovate. That's a good thought to end on.

Thank you all for coming, and good night; bless you.

NOTE: The President spoke at 7:45 p.m. on the South Lawn at the White House. He was introduced by Hillary Clinton. This item was not received in time for publication in the appropriate issue.

Nomination for Ambassadors to Iceland and Uruguay

June 18, 1993

The President today announced his intention to nominate Foreign Service officer Parker Borg to be the U.S. Ambassador to Iceland and historian Thomas Dodd to be Ambassador to Uruguay.

"These two outstanding individuals will make fine representatives of our Nation," said the President. "I am very glad to be making these announcements today."

NOTE: Biographies of the nominees were made available by the Office of the Press Secretary. This item was not received in time for publication in the appropriate issue.

Announcement for Middle East Foreign Service Posts

June 18, 1993

The President announced his intention today to nominate Ed Djerejian, a senior member of the Foreign Service, to be Ambassador to Israel. In addition, Secretary of State Christopher has asked Dennis Ross to be his Special Middle East Coordinator.

"This is a crucial time for the Middle East peace process," said the President. "It is imperative that the United States have talented diplomats working to ensure that the process continues to move forward. Ed Djerejian and Dennis Ross have my complete confidence."

NOTE: Biographies of the nominees were made available by the Office of the Press Secretary. This item was not received in time for publication in the appropriate issue.

The President's Radio Address

June 19, 1993

Good morning. For 5 months I've been fighting hard for a national economic strategy to build prosperity for all our people. And now America's on the move.

Just this week we scored several significant victories for the American people in the Congress. The Senate passed a campaign finance reform bill that limits the influence of special interests and their money in our lawmaking, and in our campaigns. Congressional committees have adopted my plan to make college loans available to all students at lower interest rates and better repayment terms and to make it possible for tens of thousands of them to pay off those loans through national service to their communities. Most important is the remarkable progress being made on the economic plan to increase growth, jobs, and incomes through bold deficit reduction. Last month the House of Representatives acted courageously to pass this plan. And now the path has been cleared for action by the Senate because the plan has passed out of the Senate Finance Committee.

Make no mistake about it, Washington is finally moving to put our economic house in order. If we want to get the economy back on track, Congress must pass this plan. It's necessary, fair, and it'll work.

When I first presented this growth plan back in February, the financial markets took it seriously, and we saw real improvements in economic fundamentals, like interest rates. We now have the lowest long-term interest rates in 20 years, mortgage rates are at a 20-year low, and now middle class homeowners are refinancing their mortgages, and some are receiving more than $2,000 in annual savings when they do. Housing sales are at a 7-year high, and employment in the construction industry is up 130,000 people in just the last 4 months. That's the largest increase in 9 years. Inflation is stable, and more than three-quarters of a million new jobs have been added to the economy in the first 4 months of our administration. Ninety percent of them are in the private sector. And unemployment is finally below 7 percent for the first time in a year and a half.

What explains these optimistic signs? For the first time in many years, we're making tough choices. Our plan makes historic cuts in Federal spending, $250 billion in spending cuts in more than 200 specific programs. We cut virtually every part of the domestic, defense, and foreign aid budgets, including agriculture, veterans, Federal retirement and compensation plans, Medicare, not because we want to but because we have to and because it's the right thing to do.

Because our program is balanced and fair, it also raises taxes to avoid unfair cuts that will damage the elderly, the working poor, and other vulnerable people in our country. But unlike the 1980's, when the rich paid less and the middle class paid more, we're asking the wealthy to pay their fair share to give the middle class a fair shake. Seventy-five percent of the taxes are paid by those in the upper 6 percent of income brackets, those who exceed $100,000 in annual income. Two-thirds of these taxes are paid by individuals whose incomes exceed $200,000. Under this plan, the very wealthiest Americans will pay an additional $1,900 a month, while middle income families will pay only $17 more a month by 1998 and much, much less between now and then.

If you're keeping score, this is how the program works. For every $10 in deficit reduction, we cut $5 in spending, raise $3.75 in taxes from the wealthiest Americans, and ask the middle class for $1.25. Let me say that again: For every $10 in savings, we cut $5 of spending, ask the wealthiest Americans for $3.75, and the middle class for $1.25. This cuts the deficit by $500 billion with all the savings locked up in a trust fund. And unlike some plans, we don't cut the cost-of-living adjustment for Social Security recipients.

Most importantly, if we pass this plan, there will be a big payoff down the road for Americans who work hard and play by the rules. A lower deficit and a healthier economy means more jobs, lower interest rates, more opportunity, and more rewards for your hard work. That's why I'm fighting for this change.

But let's face it, change is hard, and some people do fine with gridlock instead of growth. And nobody likes to make the tough decisions. There are thousands of lobbyists here in Washington who oppose the plan, hoping to force hard-pressed Americans to pay more or give up more so their powerful clients can pay less. Some of the Senate opponents fight the plan because it really raises taxes more on wealthy Americans than they think we should. And some of our adversaries, they don't even have an alternative. They're just playing politics with your economic future, screaming old slogans like "tax and spend" even though they helped to run our debt from $1 trillion to $4 trillion over the last 12 years and helped to bring about a $300 billion annual deficit that I found when I moved to Washington to go to work for the first time back in January. The stakes are just too big to play political games. If our growth plan gets caught in a web spun of gridlock and greed, this historic moment for America to get its fiscal house in order could slip away. You and I can't let that happen.

If Senators are going to oppose my growth plan, they ought to answer these questions: What programs would you cut more deeply? We've already cut more than 100 programs more than $100 million each. Where are your

tough choices? Will you ask the wealthy to pay their fair share, or will you put a higher burden on the middle class? Do you have a real, comprehensive plan to reduce the deficit by $500 billion? Maybe our opponents should listen to Ted Turner's advice: Lead, follow, or get out of the way.

It's time to get America moving again. People don't want 4 more years or 4 more months or 4 more days of politicians telling them what they want to hear while all our problems get worse. It's time instead to make a permanent commitment to a growing economy that produces jobs and a higher standard of living for our people. That's what we're doing.

Where once there was too much spending, there's now a plan with real and deep spending cuts. Where once there were no investments in our people, there's now a plan for college loans, job training and national service, Head Start, and new technologies for those who are losing their jobs due to defense cutbacks. Where once there were tax breaks for the wealthy and tax hikes for the middle class, now there's a plan for tax fairness for all Americans.

Working together, we're making America work again and helping this economy to create jobs again. And soon, if we stay together, we'll make it more prosperous for ourselves and for our children.

Thanks for listening.

NOTE: This address was recorded at 6:45 p.m. on June 18 in the Roosevelt Room at the White House for broadcast at 10:06 a.m. on June 19.

Remarks at the Northeastern University Commencement Ceremony in Boston, Massachusetts

June 19, 1993

Thank you very much. I must tell you, I have marched in many of these processions over the years. I don't think I ever marched in one that made me any happier than when we were coming down this line and all of you were giving me the "high five." And when we arrived here on the podium, I turned to Senator Kennedy, and I said, "Those are the people I ran for President to help. I'm glad to see them here today."

I want to say a special word of thanks to President Curry, to the faculty and staff for the honorary degree and the invitation to come. To Senator Kennedy and Senator Kerry, Congressman Frank and Congressman Meehan, to Mayor Flynn, and to my good friend Governor Dukakis, and all others who are here, but especially to the graduates and their families. I am so pleased to be here in the Boston Garden with you here today. I'm also glad to be here with someone who's spent a lot of time thinking about the graduates' future, the Secretary of Labor, Bob Reich, whose wife, Clare Dalton, is on the faculty here at Northeastern. Glad to be here.

I know it's warm, and I don't want to prolong the introductory remarks, or any of them, for that matter. But since President Curry mentioned Senator Kennedy's role in student financial aid, I can't help but note that in the last few months, of all the Members in the United States Congress, one stands out at having achieved a phenomenal amount of support from Republicans and Democrats for initiatives to make this country a better place. For out of Senator Kennedy's committee, with big votes from Republicans and Democrats, have come the Family and Medical Leave Act of 1993, to give people the right to have a little time off when a baby is born or a parent is sick; a bill that will require the National Institute of Health to give far greater attention than ever before to issues affecting women's health and their children's; a bill that will enable us to immunize all the children of this country against serious childhood diseases; a bill that will set national academic standards for our public schools, to deal with what the former speaker said we needed to do before you get to college; and finally, the national service and student loan bills, which will open college education to all Americans by providing loans on more generous terms and allowing them to be repaid as a percentage of your earnings, no matter how much you borrow, so you'll never go broke repaying your loans, and allowing more young people to pay them back with service to their com-

munities. All of that came through Senator Kennedy's committee.

I want to congratulate all of you who've survived this 5-year program, and also I want to congratulate you on surviving the Boston traffic jams. That's the second greatest example of gridlock in the United States. [*Laughter*]

I want to say, too, that I treasure a degree from an institution that really exalts public service, not only by elected officials but by private citizens as well. This year I received more than 200 invitations to address graduating classes. But Northeastern stood out to me because I believe you are a symbol of the American dream, built on education and work and community service, blending work and learning, having partnerships with the private sector in this wonderful community of yours to build people, which is, after all, the only real product America has ever been able to depend upon.

When I was working so hard to put together this provision of student aid to make college loans available to all on lower interest rates and better repayment terms and to let more people repay their loans through community service either before or during or after college, it was students like you that I had in mind: hard-working, good people from either middle class families that could otherwise not afford a college education or from poorer families who want to work their way into a better life. You symbolize the very thing that America has always been about and that we must today get back to if we're going to revitalize this great Nation. And I'm very proud to be here with you today.

I can also tell you that I was deeply impressed by Doug Luffborough, and if I could sing like him I wouldn't be up here today as President. I read an article about Doug and his mother and his family and his trials in working his way through college before I came here. In the article he said he planned to invite himself and his mother to the White House. [*Laughter*] Well, I'm going to beat him to the punch. I'd like for Doug and his mother to come to the White House.

If any man in America knows what having a good, hard-working, strong, loving, and disciplining mother can mean, I certainly do. I know it can make all the difference in the world, as it did for Doug and as it has for me. I think it would be appropriate just sort of as a symbol of all the parents who are here if Doug's mother, Mrs. Elsa Luffborough Mensah, would stand up. I think she's over there. Stand up! Give her a hand. See her up there in the white dress? [*Applause*]

I must tell you, ma'am, there are a lot of people of great and famous achievement who will never know the pride you must have felt when your son stood up here earlier today. I thought it was unbelievable, and I appreciate what you did.

To all of you graduates here at Northeastern, because this is the largest co-op school in the Nation, you are a breed apart. By having the chance to work for 2 years in your field as you have earned your degree, you have experienced a world that many others of your counterparts all across America only anticipate when they walk up and get their degree. You embody the growing unity in this country between work and learning, based on the clear understanding that the average American must now change work eight times in a lifetime and what you earn depends upon what you can learn. Still, even with the jump your co-op education in this fine place has given you, some of you must be wondering whether you'll be able to find the right job or any job.

I came here to tell you something very simple and straightforward: You have done your part, and you deserve the opportunity to have that job and to make a better life for yourself.

For years and years, the challenges of the global economy and our inadequate responses to them have put unbelievable pressure on middle class families and middle class values. Most people have worked harder for less and paid more for education, for health care, for housing. For most of the 1980's, those with less than 2 years of post-high school education actually saw their incomes drop as they worked longer and longer work weeks. And in the last couple of years, even college graduates have begun to have a difficult time finding good jobs with growing incomes.

Still, we know what works. We know that in this global economy, a good education

works. We know that investment in new technology works. We know that when business and workers and Government are cooperating for high productivity, that works. We know that grassroots efforts to build strong and safe communities and to give every person a chance work.

A lot of Americans have worked on that, but we have not done it as a nation. For more than a dozen years we have spent too much time from the top down having our leaders just tell us what we want to hear, that taxes are bad and somebody else's spending is bad, but spending on you is good. And so we've seen the debt go from $1 trillion to $4 trillion, our deficit go from $74 billion to $300 billion a year. And unbelievably, our investment at the national level in the things that make us a rich country has not even kept up with inflation: investment in education, in environmental cleanup, in the new technologies that will permit us to convert from a defense-based to a domestic high-tech economy. We have not done what we ought to have done there. We have underinvested and still seen much of our future eroded by a massive debt.

We have come to a time, my fellow Americans, when we have to bring to our public life as a nation the same brutal honesty that Doug's mother brought to him when she refused to let his difficult circumstances be an excuse not to succeed. We have to take as a people the same kind of advice your student speaker gave to you: Let's don't say, ''I could have. I should have. I would have.'' Let's say, ''We can. We will.'' And let's get about doing it.

We are beginning to move this country, taking down the obstacles to progress and prosperity, putting our economic house in order, moving toward providing a national plan to provide affordable, quality health care to all of America's families and children, preparing ourselves to compete in the global economy. We have a long road to travel, but we see some hopeful signs.

Because of the progress of the economic plan that I have presented to the Congress to bring down our deficit and increase investment in our people, interest rates have dropped to a 20-year low. That means that when you bring down the deficit and bring down interest rates, you free up money to be invested in productive things. What do lower interest rates mean? They mean lower home mortgages. They mean lower business loans. They mean lower consumer loans and car loans. They mean money that can grow the economy and create jobs. And it also means the Government doesn't have to spend so much of your tax money paying interest on the debt and can pay more financing college loans and an economic future that is worthy of the effort you have made to get here to this place today.

In the first 4 months of this administration, over three-quarters of a million jobs were added to this economy. But we have to finish the job. The United States Senate is now coming to grips with the economic plan. It brings down our national deficit $500 billion over 5 years. And for every $10 we cut that deficit, $5 comes from spending cuts, $3.75 comes from the wealthiest Americans whose taxes were reduced in the 1980's, and $1.25 comes from the middle class. Two-thirds of the tax burden comes from people with incomes above $200,000 because they can best afford to pay.

Now, there are some lobbyists and some legislators who don't like the plan, and they say things that are popular, not the kind of things that your parents told you when you had to kind of take a deep breath and go on but popular. They say, ''More cuts, less taxes,'' but no details. No details. Then when you look at the details, you find that the details hurt the middle class, the working poor, the vulnerable elderly, do less to create jobs and ensure our world economic leadership.

So I say to you, we ought to ask of every American, what is your real alternative, not rhetoric, not chants that sound good, but give the American people as a whole the same sort of truth that every one of your families gave you or you wouldn't be here today. That's what you're entitled to, and that's what I'm determined to give you as President of the United States.

My job is to make your future worthy of the efforts that brought you here today, to try to help to create a national interest that triumphs over anybody's special interests. You have done your part. It is now time for the leadership of this country to do ours.

I ask you only to remember here the lessons you have learned here and the lessons which have already been repeated. Nobody can create for you an opportunity you are not capable of seizing. If you don't continue to learn throughout a lifetime, you can still be left behind. And nobody in this country can fully succeed until more of this country succeeds. We do not walk alone. We walk as families, as communities, as neighborhoods, and as a nation, and we had better start acting like it. We are going up or down together, and we need to go forward.

In 1960, in November, President Kennedy delivered the last speech of his Presidential campaign here in the Boston Garden. He talked of, I quote, "the contest between the comfortable and the concerned, between those who believe we should rest and lie at anchor and drift and those who want to move this country forward." That contest is not over, and it never will be. But at each critical juncture in our Nation's history, whether we go forward will depend upon whether a new generation of Americans are willing to take up that challenge laid down 33 years ago by President Kennedy.

One of the most distinguished citizens Massachusetts ever produced was Oliver Wendell Holmes. He joined the Massachusetts infantry during the Civil War, and he lived to have a conversation with President Franklin Roosevelt 60 years later. Holmes said that a person must be involved in the action and passion of his time for fear of being judged not to have lived. Well, my fellow Americans, the action and passion of your time is to restore the American dream and to make it real for everyone who is willing to do what you have done in coming here today.

When I was in college—and I just celebrated my 25th reunion—I had a remarkable teacher who said that the most important idea in our culture was the idea that the future could be better than the present and that each of us has a personal moral responsibility to make it so.

And I tell you, when I walked down that aisle today and I saw your enthusiasm, your energy, your intelligence, your love for life, your excitement today, I thought to myself, you deserve that. You deserve that. But only you can provide it. And so I say to you today, let us all, from the President to the students, to the parents, to every person who works in this great land, resolve to do our part to make sure that we have exercised our personal moral responsibility to make your future better than the present.

God bless you, and good luck.

NOTE: The President spoke at 10:55 a.m. in the Boston Garden. In his remarks, he referred to John A. Curry, president of the university, and Douglas Luffborough III, student commencement speaker.

Remarks to the Community in Portland, Maine

June 19, 1993

Thank you very much. Thank you, Senator Mitchell. Thank you, Congressman Andrews. Thank you, Mayor Pringle. Thank you, ladies and gentlemen, for coming out today in such large numbers. It's good to be back in Maine, and I want you to know I walked down this park in a pair of Dexter shoes made in Maine. I enjoyed it. I also want you to know that Senator Mitchell caught me playing golf in a pair of shoes not made in Maine, and now I have Dexter golf shoes that I wear every time I play golf.

I want to thank the convention and visitors bureau. I want to thank the parks department for hanging the American flag so high today. I want to thank the fire department, and I want to thank all the people who performed before I got here. I'm sorry I didn't hear the Maine humor. I'm sorry I missed the country music. I'm sorry I missed the jazz music. I'm glad I didn't miss you.

I also want to say that behind us there are students from the Reiche School, who won one of our blue ribbon excellence awards. Hear them cheering? Their representatives were in the Rose Garden a few days ago with me and representatives of other distinguished schools all across America. But I know you're proud of your schools and your students, and I did want to say a special word of hello to them because they were with me not very long ago down in Washington.

It is wonderful to be back in Maine. I've been here when it's hot; I've been here when it's cold. This is just about perfect today, and I'm glad to be back.

I want to say a special word of thanks to your Senator, the Senate majority leader and a genuine national treasure, George Mitchell. You know, he said all that about the election being about change and the fact that you gave me your votes in the last election. I'm very grateful for that. But it is hard for a President to make change alone. Some things have to come with the support of Congress. And thanks to the leadership of George Mitchell, just this week the American people had a good week.

First, the Senate passed a campaign finance reform bill that lowers the cost of campaigns, reduces the influence of special interests, and when the campaign limits are broken, helps people who are outspent to get their access to the airwaves, too. It is a good bill, and it's a real advance. And not very long before that, the Senate passed a bill, finally, to require all the lobbyists in Washington to register and say who they are, what they're lobbying for, and to report any money they spend lobbying the rest of us, which I think is a very good thing to do. That's a message you sent in November. But I can't wave a magic wand and do that. The Congress has to go along. And the Senate has, thanks to Senator Mitchell.

The second thing that happened this week was that the Senate and the House, by significant bipartisan margins, voted out of committee the bills that I have been proposing to open the doors of college education to all Americans. And I want you to know how that will work. We're going to be able to save money by changing the way college loans are given out and provide them to students, without regard to income, at lower interest rates and then give students the chance to pay it back as a percentage of their income, so nobody will ever be discouraged from borrowing money for fear that they'll go broke when they get out of college. And as George Mitchell said, tens of thousands of them will be able to pay it back with service to their communities, whether in big cities or small towns or rural areas, through national service, rebuilding America from the grassroots here at home, a domestic peace corps. That's going to be the best money we ever spent to educate America to compete in the 21st century.

The third thing that happened is that the Senate Finance Committee took action on the economic program that succeeded in passing through the House, thanks to the leadership of the chairman, Senator Moynihan from New York, and Senator Mitchell, who besides being the majority leader is also on the Finance Committee. And next week the Senate will have a chance to vote on this economic program, send it to the House so they can agree on a bill that I think is critical to this country's future.

Now, there's been a lot of talk about this in the last few weeks, and our opponents have said a lot of things about my plan that aren't true. So I want to say to you who gave me a chance to be President, here's my report on what's really in that plan.

First of all, let me tell you, I didn't live in Washington before January, and I didn't take the debt from $1 trillion to $4 trillion or the annual deficit from $74 billion to $300 billion. I was a Governor in a State not very different from Maine, working hard within a balanced budget to provide good educations to our people and good jobs to our people. And I never had to raise any money to pay down a deficit. But the plain fact is that this country is awash in debt. And one of the reasons it is, is that no President's budget has been taken seriously in more than a decade. It's all been political rhetoric.

Last year, my predecessor's budget was voted against by 75 percent of the members of his own party in the House of Representatives. Our party passed the budget in the House, and we're going to do it in the Senate. And we're going to have a comprehensive economic plan to get this country moving again, thanks in no small measure to George Mitchell. And I want you to know what is in it.

First, this plan reduces our deficit by $500 billion over the next 5 years. It begins with $250 billion in spending cuts in everything, in defense, in foreign aid, in veterans benefits, in Medicare. In everything you can conceive of, we have cut across the board, and it is not very easy. But the Democrats have

taken the lead in cutting spending. Ask Senator Mitchell how many Republican amendments there were to cut spending in the Senate Finance Committee last week. I'll tell you how many: zero. We cut the spending, we did it, $250 billion.

Do we raise taxes? Yes, we do. But how is it raised? I'll tell you how. Seventy-five percent of the tax money we propose to raise comes from the upper 6 percent of income earners in this country. Over two-thirds of the money comes from people with incomes above $200,000 a year, because their taxes went down and their incomes went up in the 1980's when we gave 70 percent of the gains to the top 1 percent of the population. They can pay now, and they should.

Now, does this plan ask anything of the middle class? Yes, it does. If your income is above $30,000 but below $100,000, we ask for a contribution. Why? Because after the election, lo and behold, the Government says the deficit's going to be $165 billion bigger in the next 5 years than it was going to be before the election, and because if we don't gain our economic destiny back, if we don't get control of our future, if we don't do something about this debt, we're not going to be able to go on to the other challenges facing us. But you have to decide if it's a good deal.

Working families with incomes of under $30,000 are held harmless in this program. And I'll tell you something else that's awfully good about it. For the first time in history, if this program passes, we'll be able to say that people who work for a living and still live in poverty—and there are millions of them in America—will be lifted out of poverty by the tax system. If you work 40 hours a week and you've got a child in the house, you can get out of poverty if this economic program passes because of the changes in the tax system.

Let me put it to you another way. For every $10 in deficit reduction in this plan, $5 comes from spending cuts, $3.75 comes from the upper 6 percent, $1.25 comes from the middle class with family incomes above $30,000. I think that is fair. I think that is balanced. It will work. And let me tell you why it's important. Why is it important? It's important because when we start to bring down the deficit—and we've been working on this since right after the election—interest rates come down. And when interest rates come down, it puts money back in your pocket and it puts money back into the economy.

Look what's happened now. We have a 20-year low in mortgage rates, a 7-year high in housing sales, 755,000 new jobs in the economy just since January 20th, 130,000 new construction jobs. That is a 9-year high in construction job growth because of these low-interest rates. And eventually, that's going to help the people making a living out of the wood in Maine and in Arkansas, because they depend upon people building things to make a living. That's why this is important.

Now, do we spend some money in this budget? Yes, we do. You can decide whether you think it's worth doing. This budget increases, for example, the amount of money a small business man or woman can expense every year on the tax return from $10,000 to $25,000. I think it's a great idea. Why? Because small business is the backbone of this economy. Because small business is providing most of the jobs. Because small business stopped providing new jobs to this economy a couple of years ago, and if you take that right off from 10 to 25 grand, a lot of those small business people are going to be able to hire one more person. And if millions and millions of them do it, it will be an awful boon for this economy, and we can get going again. I think it's worth spending that money.

It costs some money to change the Tax Code so that people who work for a living and are still in poverty are lifted above poverty. But I think it is worth it to say it is never a good thing to be on welfare. If you can work, here's an incentive to move from welfare to work and to reward the dignity of work. We're not going to have a tax program grind you into poverty; we're going to have it lift you out of poverty if you're working for a living. It costs some money, but I think it's worth doing.

Maine and Arkansas have some of the poorest rural areas and small towns in the country. I'll tell you something else in this program that costs money. We have some enterprise or empowerment zones in this program that will give real incentives in big cities and in small rural areas for private sec-

tor people to come in and invest money to start businesses and put people to work. I've heard Republicans and Democrats talk for 10 years about why we shouldn't give people extra incentives to put private funds into depressed areas, both rural and urban. But nobody's ever tried it. So we're going to try it. There's not enough Government money to rescue the poor and depressed areas in this country. Let's see if we can get the private sector to do it. We've got to give them some incentives. It costs some money, but I think it's worth it. And I think we ought to try it.

And let me say this: Even though overall there's a 5-year freeze on what's called discretionary spending at home, we do spend some more money on Head Start, on education and training, on dealing with the people who have lost their jobs because of defense cutbacks, on trying to develop new technologies so that we can compete and win in this global economy and so that people who lose manufacturing jobs can get them back in a different way, by getting ahead of the curve instead of being behind like we have for the last 12 years. It costs some money. Our competitors are doing it. I think it is worth the money. We can't walk away from what is plainly needed to move this economy forward. We're not in the business of liquidating America; we're in the business of growing America. And we better get about it.

Let me just give you one example that Congressman Andrews has talked to me about. In the last 10 years more than 120,000 American shipbuilders and shipyard suppliers have lost their jobs to foreign competition and cuts in defense spending. And believe me, our competitors subsidize their businesses. Now, our Government didn't do much to help our folks compete in that global economy. And we started cutting defense spending way back in '86 and went for years and never did anything to help the workers and the communities adjust or the businesses get into new lines of production. And we want to change all that. Your Congressman, Tom Andrews, got a bill passed last year—I want to get the formal title here—called the Shipbuilding Promotion Act of 1992, ordering the Federal Government to establish a group to look at threats to shipbuilding jobs. Well, we're doing that. And we're going to do that. And we're going to come back and report and see what we can do about it.

Last year when I was running for President, the Congress passed a bill to appropriate $500 billion to communities that were hurt by defense cutbacks to help the businesses learn to produce new things, to help the workers be trained to do new work, to help the communities redevelop themselves. And when I became President, not one red cent of that money had been released, because they did not believe, the people who were there before, in investing to help people to deal with defense cutbacks. So you had whole areas of State after State after State in terrible economic trouble. Well, we're moving that money.

The Secretary of Labor, Bob Reich, another New Englander, I might add, has approved $3 million for two defense conversion grants just to the State of Maine, $2 million to assist workers at the Loring Air Force Base and $900,000 to assist those being laid off from the Bath Iron Works. And that is a good beginning. But believe me, folks, it is just the beginning of what we have to do.

Now, our opponents chant like a mantra; they say, "Less tax, more cuts; less tax, more cuts." How in the world could anybody be against that? It sounds great, except guess what? There's only been two versions put forward. In the House of Representatives—unlike the Senate, at least the House put a plan out there. And guess what? The House Republican plan, because it was more unfair to the middle class, to the elderly, to the working poor, and to the economic climate of the country, lost more Republican votes than my plan lost Democratic votes. So it sounds great, but when the Republicans looked at it, they didn't like it very well either. And then there was this plan floated in the Senate a few days ago which lowered taxes on upper income people and cut more out of Medicare and did other things that would weaken our economy and be unfair to the elderly and to working people just above the poverty line.

So I say to people: Where is your idea? Senator Mitchell will tell you, this week when the Senate Finance Committee voted that economic plan out, our opponents on the

other side, many of whom ought to be helping us, had all kinds of amendments saying let's cut this tax, let's cut this tax, let's cut this tax. Guess what? How many amendments did they offer to cut spending? Zero. And when they were asked, where are your amendments to cut spending, you know what they said? "We don't want to take any politically unpopular votes on spending cuts." Folks, we are telling you the truth for a change. We are telling you the truth. We had 12 years where people said, "We're going to cut your taxes, and we're going to cut somebody else's spending." And what they did was to increase spending, cut taxes on the wealthiest Americans, have back-door tax increases on the middle class, and let the economy go down the tubes. We can do better. And I need your help and support, and so does George Mitchell, in making sure we do better.

And let me tell you, there is more to do. I want to reemphasize, we are not trying to deal with these tough issues just to reduce the debt. When you reduce the debt, you free up money to invest, to create jobs. You think about it, there are people in this audience today who have refinanced their homes since interest rates started dropping so much last November. That's happening to millions of people all across America, and that frees up money. People are getting lower business loans. People are getting lower consumer loans and lower car loans. And over the next year and a half, it will help this economy. It helps the economy if you invest in giving kids a head start, if you retrain workers, if you invest in helping companies produce things for the civilian market if they don't have a defense contract anymore. It helps the economy if you do what it takes to compete with our foreign competitors everywhere. That's what helps the economy. And that's what we are committed to doing.

And let me say this: After this budget fight is over, as Senator Mitchell just said, I want us to begin in earnest, and we can do it this year if we'll get after it, to provide the security that will come to millions of Americans if we provide affordable, quality health care to every American family. And we can do that, too.

We can pass the national service bill and open the doors of college education to all. We can pass a welfare reform bill that puts people to work instead of maintains them in dependency. We can change the nature of politics. But you have to stay with us. You have to say: We want the House of Representatives to pass campaign finance reform. We want the House of Representatives to tell us where all the lobbyists are and who they're giving money to. We want the whole Congress to pass an economic plan, and we don't want you to stop.

Change is hard and difficult. And it's not easy to get 218 votes in the House and 51 Senators to agree on anything. They all come from different places with different interests. And my job as President is to try to make sure that the national interest overrides the particular interest of anybody and any group in any State, including yours and mine. We have got to pull this country together again and be a family again so we can move forward again.

Thank you very much, and God bless you all.

NOTE: The President spoke at 6 p.m. at Deering Oaks Park.

Remarks at the National Sports Awards Reception

June 20, 1993

Good evening and welcome to the White House, and where appropriate, happy Father's Day. I'm glad all of you could be here with us tonight to celebrate the tradition of sport in American life. Hillary and I are delighted to be the honorary cochairs of the first annual National Sports Awards and to pay tribute to those outstanding Americans rightly called "the great ones."

Frankly, I'm thrilled to meet these heroes of sport. And I have to say that of all the perks that have come along with being President of the United States, the best one was being able to play 18 holes of golf with Arnold Palmer this morning. Even if it turned out to be all downhill from here, I could still be on a high. I might say, I'm glad I didn't

have to play one on one with Kareem or go 15 rounds with Muhammad Ali to justify the round of golf. [*Laughter*]

It's been said that the athlete does not embark upon a sport but upon a way of life. Tonight we honor five individuals not simply for their athletic superiority but for the special qualities of character and leadership that have earned them the respect and the admiration of our Nation.

Kareem Abdul-Jabbar led every team he ever played for to championships. From Power Memorial High School to UCLA, to the Milwaukee Bucks, to the LA Lakers, he dominated the court for the entire 20 years in the NBA that he played. And he's hailed by many fans and players alike as the greatest center ever to play the game. He led the Los Angeles Lakers to five championships. And his teammates used to call him E.F. Hutton. When Kareem talked, they listened.

When he retired in 1989, he had been a first team all-star 10 times, college player of the year twice, earned 6 world championship rings, 6 MVP trophies, and played more seasons, more games, and more minutes, blocked more shots, and with his elegant trademark ''skyhook'' scored more points than anybody else who ever played this game. But for all of us who watched him, we know he did something more: He brought a tremendous pride and dignity to a game that will be forever in his debt. And tonight we offer him our highest praise. Congratulations.

Muhammad Ali may be the most widely recognized athlete in the world. He captured the imagination of the world with his distinctive fighting style and with the exhilarating fights he took to places all over the globe. He was the first fighter in history to win the heavyweight title three times. He was a loud, proud poet who told the world he was the greatest and was poetry in motion when he floated around the ring. Sometimes when his opponents couldn't hit him, it was hard to tell whether he was boxing or doing ballet.

He was just as courageous and dignified and mesmerizing a challenger as he was a champion. And he's a man who has unfailing stood by his principles and his beliefs. It was written of him that he spoke of God before his fights; he spoke of man; he spoke of hungry children. He cared about the sick and the old. He raised the game to drama. And because he stood for something greater, the people who climbed upon their chairs for him felt that they stood, too, for something greater. Congratulations, Muhammad Ali.

Arnold Palmer revolutionized his sport. It's been said that when television discovered golf, the world discovered Arnold Palmer. Fans all over the world grew to love his unique style, his boldness, and his daring. To many he is the American ideal: the perpetual underdog falling behind and then charging down the stretch and tearing up the golf course. I can identify with that. [*Laughter*]

Who could forget the 1960 U.S. Open tournament, where before the final round he trailed in 15th place, and a reporter said he was no more in contention than the man operating the hot dog concession. In one of the most memorable examples of grace under pressure, he birdied the first 6 out of 7 holes and then went on to win the tournament. During the campaign, some people used to call me the ''comeback kid'', but I think he deserves that title much more than I ever will. He won the U.S. Amateur, the U.S. Open, the Masters 4 times, the British Open twice, was named Athlete of the Decade in 1970. He is a remarkably gifted man. And we are all in his debt.

I must say, I saw today on the golf course that even today when he tees it up, Arnie's army is as faithful and enthusiastic as when he marched through Augusta to win his first Masters. We thank him tonight for all he has given us, for all the thrills. And I can tell you that on the basis of a wonderful few hours today, he's just as much of a gentleman and a competitor in private as he always seemed to the public. Congratulations, Mr. Palmer.

Wilma Rudolph had to relearn to walk before she could learn to run. The 20th of 22 children, she suffered a childhood bout with polio, double pneumonia, and scarlet fever, which left her legs paralyzed. But with resilient spirit and undaunted determination, she defied all the expectations and beat the odds to become a great athlete. She was a remarkable star at a fairly early age, although she did not take up track until the ripe old age of 13. Two years later, she won a bronze

medal at the 1956 Olympics. She had an extraordinary career at Tennessee State College. She went back to Rome in 1960 and became the first American woman to win three track and field gold medals at one Olympic games. Her trademark composure became familiar to people all over the world. And she became literally an international heroine.

After retiring from track, she continued to dedicate much of her time to working with young athletes. She did more than break world records. She broke barriers for thousands of women competitors and paved the way for those who have followed in her footsteps. Wilma Rudolph, you are a great one.

Our next honoree is not here, but I want you to know a little bit about him. There was a young pitcher new to the major leagues. He was facing a batter by the name of Ted Williams. ''Ball three,'' said the umpire; and the pitcher walked halfway to the plate and screamed, ''What was wrong with that pitch?'' The umpire dusted off the plate; the young, frustrated pitcher wound up and threw; and once again Ted Williams hit it over the Fenway Park fence. The umpire walked toward the man and said to the rookie, ''You see, son, when you throw a strike, you don't have to look to me; Mr. Williams will let you know.''

During his 19 seasons with the Boston Red Sox, the Splendid Splinter earned 6 major league batting titles, 2 at the ages of 39 and 40; maintained a batting average of .344, with 2,654 hits, including 521 home runs. These statistics are awesome, all right, but they're even more incredible when you consider that Ted Williams lost most of 5 seasons and hundreds of hits and home runs because he wanted to serve his country. He left baseball twice, first to serve as a fighter pilot in World War II and then to serve again in the Korean war. In 1941, he defied all the laws of baseball when he batted .406. No one has batted .400 since. And talk about grace under pressure, at his very last time at bat in 1960, he hit a farewell home run.

Ted Williams is a great athlete and a great patriot, and I'm proud to honor him tonight, as I know all of you are, for what he's done for his sport and for his country.

Each of you has honored your sport and your Nation and left a legacy of greatness. I hope these National Sports Awards become an American tradition that will honor the legacy of all those who participate. Today we must look to the future, the idea of service performed by young people all across America.

The funds raised by these awards and this weekend will enable young people dedicated to service to expand their own efforts in rebuilding our more troubled communities, in caring for those unable to care for themselves and transforming the lives of people and cities in need, and in the process, in transforming and improving their own lives.

Some of these young leaders and those who have mentored them into a life of service are here with us. And I urge all of you on the eve of our Nation's summer of service to go forward knowing that you are shining examples of what it means to be a real citizen in our country. You are welcome here, too, tonight. Perhaps there is no way better to honor the athletes tonight than by supporting young people who themselves are dedicated to helping their peers most in need. They are also great ones.

Although we are blessed with the presence of these athletes tonight, we are all, I'm sure, saddened by the absence of another champion, Arthur Ashe, an extraordinary man who lived by the words ''thou shalt not close a door behind you.'' There will be more said about Arthur Ashe tonight at Constitution Hall, but I'm proud that his wife, Jeanne, is here with us tonight. And thank you so much for your presence.

In closing let me just say that I have some people to thank tonight: those who have agreed to serve on the President's Council on Physical Fitness and Sports, including the two cochairs, Florence Griffith Joyner and Tom McMillen, who is standing here and looking short with his friend Bill Bradley as Kareem is up on the platform. They will advise me and the Secretary of Health and Human Services, Donna Shalala, on ways to enhance opportunities for all Americans, not just the young, to participate in physical fitness and sports activities.

Finally, let me say to Kareem Abdul-Jabbar, to Muhammad Ali, to Arnold Palmer,

to Wilma Rudolph, to Ted Williams, and to all of you who are here tonight, I thank you for lending your dignity to this occasion and for your service to this country and for your embodiment of the best values of America.

Thank you very much.

NOTE: The President spoke at 6:12 p.m. in the East Room at the White House. In his remarks, he referred to Senator Bill Bradley.

Interview With Michael Jackson of KABC Radio, Los Angeles, California

June 21, 1993

Mr. Jackson. Good morning, President Clinton.

The President. Good morning, Michael. It's nice to hear your voice again. And I enjoyed listening to your callers call in.

Economic Program

Mr. Jackson. Oh, I'm so glad you heard them, sir. I know the budget is the burning issue of the moment. You may have seen a Conrad cartoon; it showed you in caricature, and the caption was ''Or maybe you'd like Bush back and another $2 trillion debt.'' How could we avoid that and make the whole economic climate healthier?

The President. Well, the first thing we have to do is to gain control over our economic destiny again. The deficit is spinning out of control. It was about $74 billion a year in 1980; it's over $300 billion this year. The debt, as you know, has gone from $1 trillion to $4 trillion. And because of that, the money we ought to be investing hasn't been there. You can see that very clearly in Los Angeles and southern California when you had all these defense cutbacks. We should have been reinvesting all that money in domestic technologies to put the people back to work here at home in high-speed rail, environmental cleanup, all kinds of other things. But the debt was so big that the money went to pay interest on the debt and into exploding health care costs.

So our economic plan is terribly important to the people of the United States and the people of southern California because it begins to give us some control back. Already, the fact that the plan is making progress has brought down long-term interest rates. I know one lady who called you said her husband was in construction. Because we are at 20-year mortgage rates lows, there have been 130,000 new jobs come into this economy in construction in the last 4 months. That's the biggest increase in 9 years. Now, it's going to take a while to reach southern California, because that's one of the most distressed areas of our national economy. But it is beginning to turn around.

So you've got to bring the deficit down. You've got to do it in a way that is fair to the middle class, by making upper income people pay the lion's share of the burden. There have to be some incentives in this plan to grow new jobs in the private sector through empowerment zones in our cities and poor rural areas, through new incentives to small business. And there also have to be some targeted investments. Over the next 5 years, we still need to spend some money to try to redevelop the businesses, the communities, and retrain the workers that have been hurt so badly by defense cutbacks.

So this is a good plan, and it's still the only real plan on the table. A lot of people have criticized it, but it's hard to quarrel with the results of it. Just the progress of the plan is bringing down long-term interest rates. We've got three-quarters of a million new jobs in the economy since January 20th, and I am encouraged. We've got a long, long way to go, and we're dealing with some economic trends that have been in place for 20 years in the world economy. But we can turn it around if we will do so with discipline and if we'll stop the delay, if we'll go forward now and pass the plan.

Mr. Jackson. Mr. President, you mentioned critics. Congressman Henry Hyde, speaking for the Republicans, claimed over the weekend that the Senate Democrats are going to agree to a tax-and-spend, tax-and-spend program this summer that will result in another version of the biggest tax hike in history. In a nutshell, by year's end, will the rich be taxed considerably more, heavily taxed? Will the middle class be further hit?

The President. By year's end, if the plan passes, upper income taxes will go up, taxes on the upper 6 percent of the American peo-

ple; two-thirds of the tax burden would be paid for by people with incomes above $200,000. The tax on the middle class, in the form of an energy tax, would be phased in over a 3-year period and would amount to no more than $17 a month for a family of four with an income of $50,000 to $60,000, by the third year of the plan.

By contrast, families with incomes of under $30,000 would be held harmless, and there would be an incentive in this tax program, for the first time, for people who work 40 hours a week but have children in the home and are still in poverty. The tax system would actually lift them out of poverty.

So it's a very fair tax plan. But the most important thing from my point of view is that there can't be taxes without an equal amount of spending cuts. And there are substantial spending cuts in this program in everything from Medicare to veterans benefits, to agriculture, to all the specific programs, just about, in the Federal Government. People who say there aren't spending cuts just haven't said it right.

And for Mr. Hyde, whom I like a lot, to just get on there and chant their old "tax-and-spend" line, I mean, you know, that's the same crowd that presided over the last 12 years where we went from a $1 trillion to a $4 trillion debt, increased the national deficit every year, and reduced our investment in the future. I mean, they actually set in motion the policies which you see manifest all around you today in southern California. And I don't see how they have any credibility on this.

Last week in the Senate Finance Committee, there were all kinds of amendments by the Senate Republicans. They were all designed to increase the deficit by moderating tax increases with no offsetting cuts. So there just isn't another plan out there. We're either going to have to make up our mind whether to do the tough stuff necessary in terms of budget cuts and fair revenue increases to bring this deficit down and get control of our economic future and keep these interest rates down, or we're not.

And let me just make one other point. For anybody who has refinanced a home loan or refinanced a business loan or gotten a car loan, a consumer loan, a college loan at lower interest rates, a lot of people are going to in the middle class and even some upper income people are going to save more money on lower interest rates than they're going to pay in higher taxes.

That's the key thing. We've got to get the interest rates down. We've got to start investment in this economy again. And if we don't, we're going to be in real trouble. You had someone call from Orange County; I see what's happened to real estate in Orange County. Our proposal contains significant incentives to get the real estate business in California up and going again and throughout the country.

There are all kinds of things in this plan which are very, very good for business, that the business community has been asking for for years. But we do ask people who are earning income, who have it and whose taxes went down in the eighties while the deficit went through the roof, to pay a fairer share of the tax burden so we can bring the deficit down.

NAFTA

Mr. Jackson. Relating to the calls we received earlier, Mr. President, a blunt question: Does Ross Perot concern you? And I pose it that way because of his stand on NAFTA, the North American Free Trade Agreement. He really is claiming that this country and particularly this State of California is going to lose hundreds of thousands of jobs that would go to Mexico if the agreement should be ratified.

The President. Well, I disagree with him on that issue. There are other issues on which I think we are agreed. We've got a version of the line-item veto in the United States Senate. I very much hope it will pass; I strongly support that. I'm pushing for campaign finance reform to reduce the influence of special interests in campaigns, something that he and I both talked about in the last campaign. We've got that out of the Senate; we need to pass it in the House. We're pushing for lobbying reform, something we both talked about last time. We passed a dramatic increase in the requirements for reporting of lobbyists in the Senate. I hope we can pass it in the House.

But on NAFTA we just disagree. I believe that a country like ours, if we want to generate more jobs, we're going to have to increase the volume of trade. I understand what the concern is with Mexico, but I would say to everyone in California today two things: Number one, something you know perhaps better than other Americans, anyone who wants to shut a plant down and go to Mexico today for low wages can do it. And they'll be able to do it just as well today or tomorrow as they could after NAFTA is ratified. Number two, as you have seen in California, as long as incomes are very depressed in Mexico, you're going to have a bigger and bigger problem with immigration that goes beyond the legal limits of the law. And what I see happening with NAFTA is a Mexico that can buy more American products, where more Mexicans will want to stay home and be near their families because they'll be able to make a living. And Mexico will be the leader of a whole new wave of trading partners for the United States, going down past Mexico into Central America, into Chile, into Venezuela, into Argentina, into other countries. I believe it will create jobs for America. I wouldn't do it if I didn't think so.

And let me also tell you that there's beginning to be a little bit of a chill in the wind of people who think that they ought to just automatically move their plants to Mexico to save money. There's a big story just in the last day or so about General Motors moving 1,000 jobs back from Mexico to the United States to Michigan, a high-cost State with very productive labor, to produce some of their small cars. So I'm very hopeful about this.

And let me make one last point. About 4 years ago we had a $5 billion trade deficit with Mexico. Today, because of the trade barriers that Mexico has lowered, we have a $6 billion trade surplus, which means we've created more jobs because of trade with Mexico than we've lost because of jobs moving down there. So my view is that we can make it a winner.

Now, we don't want to just have a trade agreement with no standards. The Mexican people are going to have to be willing to work with us on environmental standards and on labor standards so we don't just open the floodgates to move jobs to Mexico in ways that won't even raise incomes in Mexico. That would be a terrible thing to do. But if we do it right, it will create jobs for both countries.

International Economy

Mr. Jackson. Mr. President, things are pretty awful all over. I mean, Europe is in the worst recession since the 1930's; Japan has been hit, too. By contrast, aren't things beginning to get better here?

The President. Well, they are beginning to get better here and they're beginning to get better here basically for two reasons. First off, American industry was really battered here during the entire 1980's and in fact starting back in the mid-seventies. And there has been a determined effort by people running our firms in the private sector to become more competitive, so a lot of them are. And that increased productivity, increasing output per worker, the increasing ability to compete with countries around the world, that is helping things to get better. The second thing that's making things better is that this administration's serious effort to bring the deficit down has helped long-term interest rates to get down to their lowest rate in 20 years, and that's leading people to refinance, freeing up some money, and we're getting some more investment.

But I don't want to mislead anybody. This is still going to be a very tough road back. If you look at southern California, if you look at Connecticut, if you look at some of the States that have been hit especially hard by defense cutbacks of all kinds and other economic problems, we're still going to have to have a very disciplined plan to invest and grow our way out of the problems of the last few years.

But yes, we're in better shape now than Europe and Japan. In fact, if we could get some more growth in those countries, we'd be in better shape because we're not selling as much to them as we would be because of their economic problems. They don't have the money to buy American products. And when I go to Japan in a couple of weeks to talk to the leaders of Europe and Japan, one of the things we're going to be talking about is that America is doing what they asked us

to do, we're bringing our deficit down. And we want the Europeans to bring their interest rates down and the Japanese to invest some more money in their economy so they can grow it, because they don't have the deficit we do. And if we can work together, we can grow the world economy and that means jobs for America.

But you're quite right, we're actually in better shape than Japan and Europe is right now, except for unemployment rates, Japan's still got a lower unemployment rate than we do.

Mr. Jackson. Mr. President, thank you very, very much indeed for this, sir.

The President. Thank you, and again, I want to thank your callers for the thoughts they expressed. And I want to encourage them to continue to be active and to question and criticize me when they think I'm wrong but also to support me. I really appreciate the woman who said she didn't vote for me but she's got a stake in the success of this Presidency. We're doing what we can to move this country forward without regard to party or region. And that's the kind of support I need. I'm very grateful for that.

Mr. Jackson. Thank you, Mr. President, very much, sir.

NOTE: The interview began at 12:16 p.m. The President spoke from the Roosevelt Room at the White House.

Interview With J.P. McCarthy of WJR Radio, Detroit, Michigan

June 21, 1993

Mr. McCarthy. Good afternoon, Mr. President. How are you?

The President. I'm great. It's nice to talk to you again.

Mr. McCarthy. I can't hear.

The President. Can you hear me now? I can hear you. Can you hear me?

Mr. McCarthy. Mr. President, I can now. How are you? We haven't talked since very late in the campaign. You were in an automobile someplace, and you were running out of voice. But you were in high spirits, and now we know why. Congratulations.

The President. Thank you very much. It's nice to hear your voice again.

Mr. McCarthy. Nice to hear you.

The President. I got to hear a little bit of your last conversation. That was fascinating.

Mr. McCarthy. With Bob Talbert?

The President. Yes.

Economic Program

Mr. McCarthy. Mr. President, are you going to get your tax bill and your budget bill through the Senate? Carl Levin is on this program a little bit later. We've already taped that segment. He says, yes, it will be done. What do you think?

The President. I think it will be done. It's not easy ever to make these kinds of tough decisions. There are $250 billion in budget cuts in that bill that affect everything from agriculture to veterans, to Medicare, to virtually all the specific programs in the Government. And there are some tax increases, as is well-known, two-thirds of them on people with incomes above $200,000, three-quarters of them on people with incomes above $100,000. I think it's fair and balanced. And this will bring the deficit down by $500 billion, and it will keep these long-term interest rates coming down, which is what is so necessary if we're going to have reinvestment in our country and rebuild the manufacturing sector and get this economy going again.

I think it will pass because, frankly, there isn't another alternative. And those who have tried to fashion other alternatives have come up with programs that hurt the vulnerable in our country and the middle class more and hurt the business economy more. And I think that's why we've had people from companies representing the automakers to high-tech companies in California supporting the program. It's a little-known thing that over half the 100 biggest companies in the country have supported the program, that the labor organizations have supported it, that the home builders organization, a largely Republican group, have supported it because it will bring interest rates down and create jobs and incomes for the American people.

Mr. McCarthy. But if it does pass the Senate, and apparently Senator Levin feels you have enough votes, 50 or more votes,

it has to go back to the House. It's been changed significantly from the bill approved by the House. We hear the Black Caucus may be falling out of step. Can it pass the entire Congress?

The President. I think it can. I think what you will see is, when the bill passes the Senate, if we can pass it in the next few days, then there will be a conference of the Senators and the House Members. And they will try to take the best parts of both bills and come up with a bill which has more budget cuts than taxes, fair taxes, but still has some of the incentives we need for small business job creation, for the high-tech job creation, for empowerment zones to get private sector investment into the urban areas and to the poor rural areas, and also some of the money for Head Start education and training and for joint projects with the private sector for new technologies to help to deal with the defense cuts. I think you will see that budget coming out of there. And I expect it to pass both Houses.

Like I said, these are difficult times, because for 12 years the American people have been told one thing and had another thing happen where the debt just kept getting bigger and bigger, and it's eating us alive. And interest rates were high, and we couldn't get investment, we couldn't get jobs. We're going to turn it around, but it's not easy.

Mr. McCarthy. A couple of things started to leak out this weekend on those weekend Washington shows. One item was that entertainers and sports people, people who make big salaries for usually a relatively short period of time, would be exempt from the new higher rate of income tax. Is that true?

The President. Not to my knowledge.

Mr. McCarthy. Apparently it was on ''Face the Nation'' or one of those shows yesterday. Not so?

The President. No. There aren't any exemptions. I think what you're going to find is that people who make a lot of money for just a couple of years may wind up doing something that many of them already do, by the way, which is structuring their contracts so they get paid over a longer period of years than they play. That's something that's happening now and that may happen. But I know of no exemptions for any high income people.

Mr. McCarthy. And the surtax on the capital gains tax, everyone was figuring maybe there will be a capital gains cut. Maybe that will be a tradeoff, higher income tax rates, lower capital gains. Will there be a surtax on capital gains?

The President. It's hard to say. That's in the Senate bill. But I'm not sure how it will come out in the end. I think one thing you can look forward to is a so-called venture capital gains on new business capital gains tax, where people who put their money into new businesses will be given big incentives to do so. That is, if you take a risk on somebody and you start a new venture and you hire some new people to create new jobs in the economy and you hold that investment for 5 years or more, you'll be able to reduce your tax liability if, in fact, it turns out to be successful. We have to have more people trying to start new businesses. And that's a more hazardous undertaking. So I think you will see that.

Mr. McCarthy. Will there be some incentives for new business? Because I heard from——

The President. Absolutely.

Mr. McCarthy. I asked this morning in my morning show—I mentioned, of course, that I would be talking to you. And I said, give me some questions that you'd like me to ask the President. And I heard from several small business people. They said something like this: ''Look, I wanted to open two new businesses this year''—this was a fellow who was in the fast-food franchise business, but he said, ''With all that's going on relative to the proposed new legislation on taxes, I'm afraid to build any more restaurants.'' Small businesses are getting hurt. I heard that over and over this morning.

The President. Let me just mention two or three things that should be reassuring to small businesses. If these provisions of my plan pass, first of all, anybody who starts a new venture will be able to get investment for that new venture. And if the investment is held for 5 years or more, the tax rates will be much, much lower than the ordinary income tax rates, if it passes.

Secondly, for ongoing small businesses, today the writeoff for expensing on the tax form is $10,000 per year. We propose to raise

that to $25,000. That will be a substantial reduction in the tax burden of most small businesses and will be an encouragement, I think, for them to hire more people.

Thirdly, if someone has a chain of restaurants, for example, like the person who called in, in the plan that I presented to the Congress that the House of Representatives adopted, we have some changes in the alternative minimum tax provisions which operate as real incentives for people to continue to invest their profits in the expansion of their businesses without running up bigger tax bills.

So I would urge the small business people who are listening to us to really look at what is in that House bill. There are a lot of very strong pro-business and pro-small business provisions in the bill that have not gotten a lot of attention. That's why, let me just mention, the National Realtors Association and the National Home Builders Association, two groups not normally associated with the Democratic Party, have already strongly endorsed this economic program because of the incentives for economic growth and because it's bringing down long-term interest rates. That's the last thing I will say. Any business person who has to borrow money in all probability is going to save more money in lower-interest rates than they'll pay in higher taxes.

Mr. McCarthy. Mr. President, one of the thrusts of your campaign was jobs. There would be more jobs. Jobs, jobs, jobs would be created. If the business climate isn't good, if there isn't an opportunity for businesses to do well, to be successful, there will be fewer jobs. I mean, that's just simple economics, isn't it?

The President. That's right, but simple economics dictate that the President of the United States stop telling everybody what they want to hear and start telling the truth. That's what simple economics dictate. I mean, in 1981 we cut taxes and increased spending and nearly bankrupted this country over the next 12 years, and we've been paying for it ever since, so that we had very high long-term interest rates, and credit was expensive, and job generation was weak. That's a problem, by the way, for wealthy countries throughout the world. Even Japan's having trouble creating jobs now. But look what's happened since I announced my plan and it started to pass its way through Congress, just in the last 4 or 5 months. First, we've had 755,000 new jobs in this economy, over 90 percent of them in the private sector, in the first 4 months of this administration. In the previous 4 years, we only had a million jobs. Second, in construction, part of the economy very affected by interest rates, in the first 4 months we had 130,000 new jobs, that's the biggest increase in 9 years. Has that affected every State and every community yet? No, but it shows that we are really moving in the right direction. If we can get everybody in this country to refinance their home loans, their business loans, to take available credit because interest rates are lower, that will put tens of billions of dollars back into this economy to create jobs.

Mr. McCarthy. What inflation rate, sir—I don't mean to interrupt you, but we're short on time—what inflation rate would you be happy with 1 year from now?

The President. The lowest possible one. But if we got unemployment down to a very low level and every American had a job, it might be a tad higher than it is now, but right now we think we're in good shape on inflation. What we need in America are more jobs and higher incomes, and that's what we're working on. So, this is a job-creating strategy we're following, and I believe it will work.

Counselor to the President

Mr. McCarthy. How is David Gergen doing in his new job?

The President. He's doing very well. He's a good man. We've been friends a long time and——

Mr. McCarthy. Is the Washington press corps still braying at the moon, sir? [*Laughter*]

The President. I don't even know how to answer that. The moon still comes out here, though, at night, and the sun comes up in the morning.

Mr. McCarthy. President Clinton, a pleasure to talk to you today. Thank you very much for spending the time. I hope you get a chance to visit us.

The President. Me too. See you.

NOTE: The interview began at 12:30 p.m. The President spoke from the Roosevelt Room at the White House. In the interview, he referred to journalist Bob Talbert of the Detroit Free Press.

Interview With Phil Adler of KRLD Radio, Dallas, Texas

June 21, 1993

Mr. Adler. Mr. President, are you there?

The President. I am, Phil.

Btu Tax

Mr. Adler. Good morning to you. We think that a lot of people responded to a theme, or at least I think so, in the Presidential campaign of sacrifice to cut the deficit as long as that sacrifice is equal. The Btu tax was designed originally on the concept of equal sacrifice. But then all of these exceptions were added, and it really makes it appear that it's one of the most complicated proposals ever. Did you make a mistake allowing all the special exceptions to be included in the Btu tax?

The President. Well, I didn't allow them all to be included. Some of them were included in the House of Representatives bill, and I didn't agree with all of them. But let me say what I think was a good criticism of the tax and that is that we wanted the tax to restrain energy consumption in ways that promoted energy conservation and also supported fuel switching to more environmentally beneficial and more available natural gas. That bill, as drawn, would be a big boon to the natural gas industry in Texas and Oklahoma and throughout the United States. And that's one of the things we were trying to do. Now, some of the oil companies didn't like it, but the people that were in the gas business liked it. We had a big Texas gas company, headed by a person who strongly supported President Bush in the last election, endorsed the economic program. ARCO and Sun Oil both endorsed the economic program, including the Btu tax.

So Secretary Bentsen, who, as you know, has represented you in the Senate for a long time, offered the Senate a modified Btu tax which, instead of having all those particular exemptions, would basically have alleviated the burden of the Btu tax on industry and agriculture on the production sector but still given them an incentive to move toward natural gas wherever possible and would also have cut the Btu rate and would have replaced that with more spending cuts.

From my point of view, unfortunately, we couldn't pass that through the committee because Senator Boren had said he wouldn't vote for any tax based on the heat content of fuel. But I still think it was a good concept, and it will be interesting to see what happens if the Senate's version of the economic plan passes, to see what happens in the conference and what we come up with.

Mr. Adler. What we have now is a gasoline tax that's been passed by the Senate committee, and you've called that regressive in the past. How can you sell that, if you have to, to House Members who did risk some political capital by supporting you on the Btu tax?

The President. I think anything that comes out has to be a combination of agreement between the House and the Senate. It's hard to get 218 House Members and 51 Senators to agree on anything that's tough. I mean, everybody can talk about cutting the deficit, but it's one thing to talk about it and quite another to do. But I think they'll be able to do it. No one was particularly happy with the form of the Btu tax, or very few people were, that passed the House, but everybody thought that Secretary Bentsen could come up with a plan that would make it good for the economy and could achieve what we were trying to do in terms of promoting domestic energy, and I think he did. The Senate preferred a tax that was a gas tax and a tax on some other fuels. It, at least, is small enough so that it is not particularly unfair to people in rural areas. It's not as big as what some had wanted, and certainly I did not want just a big old gas tax. I thought that was unfair.

I also think it's important to point out in Texas, in light of the rhetoric in the recent political campaign, that it is simply not true that there is no spending cuts in this plan. There's $250 billion in spending cuts, and they affect everything. They affect agriculture and veterans and Medicare and the whole range of discretionary spending of the Government. They affect foreign aid; they af-

fect defense. There are sweeping, broad-based spending cuts in this program. And the tax increases, two-thirds of them, fall on people with incomes above $200,000, three-quarters on people with incomes above $100,000. Families of four with incomes below $30,000 are held harmless, and people who work for a living 40 hours a week and have kids in the house who are now in poverty would actually be lifted above poverty by these tax changes in ways that promote the movement from welfare to work. So this is a fair and balanced plan.

It was developed, and in a very aggressive way, by Lloyd Bentsen and by Leon Panetta, who used to be chairman of the House Budget Committee, to be fair, to have equal spending cuts in taxes, and to drive the deficit down so we could bring interest rates down. That's good for Texas, and that's good for everybody in America. And also, it leaves some room for investments that are critical to our future. And as you know, I support—you were implying this before I got on—I support the space station and the super collider projects because I think they're good for America's future. And if you're going to spend money on those things, you have to spend money on them. You can't play games; they do cost some money.

Space Station and Super Collider

Mr. Adler. Mr. President, how long can you guarantee that support for the super collider and the space station? Will they fall if that's the only way to meet your overall deficit reduction goal?

The President. Well, my overall deficit reduction goals can be met in my plan with the space station and the super collider. I do want to emphasize that we've already shaved $4 billion off the 5-year budget for the space station and some money off the 5-year budget for the super collider by redesigning the space station, based on a team of exceptional national experts who analyzed the project and recommended that it be redesigned and also that NASA's management be changed rather dramatically. And we just delayed the implementation schedule on the super collider some, so that none of the opponents of the space station and the super collider could claim that there had been no spending cut there.

So we have done that. But I strongly feel it would be a mistake to abandon those. Now, I would be less than candid if I didn't tell you that there are a lot of people in other parts of the country who want to cut those projects. There was always a lot of opposition to them, and because of the last election and all of the rhetoric and all the claims in Texas that there were no spending cuts in this budget, that has given real energy to the opponents of the space station and the super collider. It wasn't true that there were no spending cuts, but there are a lot of people up there who have been wanting to kill these projects for years who are just gleeful at the way the rhetoric in the last election played out in Texas. They think that they have been given a license by the people of Texas to kill the space station and the super collider. And it's going to be very much harder for me to keep them alive. But I'm doing the best I can.

Mr. Adler. Mr. President, I'm informed that our time has run out, by one of your aides, I believe. Good to talk with you this morning.

The President. Thank you. I enjoyed it.

NOTE: The interview began at 12:42 p.m. The President spoke from the Roosevelt Room at the White House.

Interview With Tim Scheld of WCBS Radio, New York City

June 21, 1993

Mr. Scheld. Good afternoon. President Bill Clinton, joining us from the Roosevelt Room of the White House this afternoon. A good decision, Mr. President, since it is as hot and muggy as you're going to get in New York City today. Be happy you're inside and in Washington, DC.

The President. It's pretty hot and muggy here, too, Tim.

Mr. Scheld. I heard you were jogging this morning in a lot of fog. No fog anywhere in New York City. We're looking for some,

so bring some up here, please, next time you come.

The President. I had a great time today, for all the joggers listening to you. I got to run with John Fixx, who is the son of the famous runner Jim Fixx, who died about 9 years ago but made a real contribution to what all of us who love jogging know as the sport.

Mr. Scheld. Yes, but the question now is do you run with Michael Jordan tomorrow?

The President. I'd love to do it if he were willing.

Economic Program

Mr. Scheld. I appreciate you taking the time with us here on WCBS this afternoon. The Senate begins debate on the all-important economic package, but its ultimate shape, as you know, will be determined by the Joint House-Senate Committee probably beginning the 1st of July. Will we see the Btu energy tax proposal be reborn out of that committee, Mr. President? What kind of specific new energy taxes should the American people expect?

The President. Well, first let me say that before we can start that conference, Senator Moynihan has got to shepherd this bill through the Senate, and that's not going to be all that easy. I think we can do it. But there's been so much rhetoric around this economic program and so much inaccurate information put out there that it's not going to be easy to get the Senators to make the tough choices to pass the bill. I think they will do that, and I think in no small measure they will do it because of the leadership of your Senator in leading the Senate Finance Committee.

But after that, the House and the Senate will get together. And I think they'll try to agree on a provision with regard to energy which will do what all of us agreed to do, which is to reduce the energy tax somewhat below where it was in the House version, have some more spending cuts, make it clear to the American people there are more spending cuts than tax increases in this program and that they are fair and balanced.

The Secretary of the Treasury, Lloyd Bentsen, had a good suggestion, I thought, for reducing the Btu tax, reducing its impact on jobs through lowering the industry and agricultural provisions and cutting the rates across the board on middle class Americans but still leaving it in there so there would always be an incentive for energy conservation, environmental cleanup, and switching to American natural gas.

But one of the Senators on the Senate Finance Committee had said he would never vote for a bill based on the heat content of energy, which meant that they had to change the form of the energy levy. And we'll just have to see what comes out of the conference. I don't know what will happen.

Mr. Scheld. This is pretty complicated, but the American people were so well-informed a couple of months ago exactly how much it was going to cost. I think people were—at least in this area, I think we got the impression that people were willing to bite their bottom lip and to pay for deficit reduction. Are you taking that attitude back to the Senate and saying, listen to the American people?

The President. I'm really trying to. And I think what happened was that from the time I gave my speech outlining the plan in February to the American people directly, including telling everybody exactly what we were going to cut and exactly what it would cost, after that the details got lost in all the word games going back and forth and the shouting. And what I tried to do last week by giving a prime-time news conference and doing a number of other things was to let the American people know exactly what was in this bill. Maybe it's worth restating.

There are $250 billion of spending cuts and $250 billion of revenue increases and $500 billion of deficit reduction in this package. Of every $10 in cutting the debt, $5 comes in spending cuts; $3.75 comes from people with incomes above $100,000; $1.25 comes from people with incomes below $100,000 but above $30,000. People below that are held harmless. That's about how it works.

Mr. Scheld. One Member of Congress over the weekend, I think, was quoted as saying that's engaging in politics of envy, pitting the higher income brackets against those that can't afford it.

The President. No.

Mr. Scheld. Well, what do you say to that?

The President. I have a clear answer to that. I don't seek to punish anybody for their success. But if you look at what happened in the 1980's, we had the reverse of the politics of envy. In the 1980's taxes went up on the middle class while their incomes went down. Taxes went down on upper income people while their incomes went up. This has nothing to do with the politics of envy.

I want it to be possible for people to have more successes. If you look at this bill that is moving its way through Congress, there are big incentives for people to start new businesses, for small businesses to hire extra people, for bigger industries to invest in new plant and equipment, for all private sector people to actually make money by reinvesting in our inner cities and our rural areas again. This is not about the politics of envy. This is about who can afford to pay the freight.

In the last 12 years, we had tax decreases on upper income people and tax increases on the middle class, even though their income trends were just the reverse. So this is nothing but fairness. This is not about class war. This is about fairness.

Health Care Reform

Mr. Scheld. Mr. President, on health care reform, our own Senator Moynihan, you brought up his name, expressed some doubt over the weekend that health care reform would make it to Congress this year. Any update on that?

The President. I still think we can do it this year if we pass the budget in an expeditious way and if the health care reform proposal is perceived as fair by the vast majority of the American people and if it deals with the problems of the country. That is, can we bring the cost of health care in line with inflation? That's good for business. Can we remove the insecurity that millions of Americans have that they're going to lose their health insurance because of the cost or because somebody in their family's been sick or because they're going to change jobs? Can we provide a way to bring coverage to people who don't have it? Seventy percent of them work for a living. Can we do it in ways that are affordable and balanced, and can we do it in ways that don't in any way affect the right of Americans to choose their doctors or to keep very high quality health care?

If we can do that, then I think you will see a willingness on the part of Congress to take this up, knowing that the whole job can't be done overnight. That is, we could adopt an omnibus bill and still have to phase in the actual practical implementation of it so that if there are problems along the way, they can be corrected.

Senator Moynihan has a lot of experience about how slowly Congress acts, but I think the American people are so hungry and so hurting for something to be done on health care that they'd like to see it dealt with this year, and they'd like to see us at least make a good beginning. I believe with a little luck we can get it done this year.

Henry Leon Ritzenthaler

Mr. Scheld. Mr. President, reading the Washington Post this morning, seeing quotes from a colleague or a friend of yours and someone who I know, Betsy Wright, I'm wondering whether this claim from the Paradise, California, man merits any reaction from you.

The President. I'll be glad to give you a reaction, but let me say I have tried to call him today and have not talked to him yet. And I think I ought to talk to him before I make any public statement. But I'll put out a statement about it later on today.

Former President George Bush

Mr. Scheld. Fair enough, Mr. President. Have you heard from the FBI, by the way, on the inquiry into the alleged plot against former President Bush in Kuwait a couple of months ago?

The President. I have not received a final report from the FBI, and I don't think I should say anything about what I will or won't do until I do get that report.

Mr. Scheld. So it's either all the wrong questions or all the right questions I get to ask you. [*Laughter*]

The President. No, they're both good questions, and I'm sorry, but it's not in the national interest for me to discuss that until I actually know what I can say about it when I get the report.

President's Visits to New York

Mr. Scheld. Absolutely. One other final question for you here. It concerns when you come to New York, and I'm sure you will be in this area for Governor Florio and for Mayor Dinkins, campaigning; that's my guess, at least. What do you tell the people who are sitting in traffic sometimes because of a Presidential visit? It's a loaded question, sir.

The President. It really bothers me when I come there. I told Mayor Dinkins the last time I was there, I was so concerned that it required so many police officers and firemen. And it seems that the President interrupts the flow of events more coming to New York than any other place because of the density of the population and the traffic. It really concerns me.

One of the things that I can do and one of the things I did do the last time I came was to land at the airport and then take a helicopter in as close as I can to where I'm driving so that really minimizes the disruption to the other people and traffic. You know, I love to come to New York, and I think it's a good thing for the President to be in New York and to be on the streets and to be with the people, and it's such an important part of our national life. There are so many people there I need to talk to and see and listen to. But it bothers me when I inconvenience a lot of people.

Mr. Scheld. Well, we leave you the invitation to always come back here and talk to people, but this is a way to get through to them without causing some traffic problems. But come here anyway. We'd love to see you.

The President. I'd love to do it. Maybe we can do it. Maybe radio can be the best alternative.

Mr. Scheld. Absolutely, sir. Thank you for taking the time this afternoon.

The President. Thanks.

NOTE: The interview began at 12:49 p.m. The President spoke from the Roosevelt Room at the White House. A question referred to newspaper reports that Henry Leon Ritzenthaler may be the President's half-brother.

Interview With Larry King

June 21, 1993

Mr. King. Welcome back to another hour of "The Larry King Show." Great pleasure to have with us—the last time we had him on a radio show he was in a car in Detroit during the campaign, getting to the airport. In fact, he gave us a visual description of the highway. Do you remember that?

The President. I do remember it.

Economic Program

Mr. King. President Clinton, a couple of things. First, Senator Phil Gramm last week on my television show said—the Republican from Texas—anytime, anywhere, anyplace he'll come to the White House, he'll meet with you, he'll sit down to work out a deal on the economy from the Republican Party standpoint. He said, you invite him, he's there. What about it?

The President. I'm always happy to talk to Senator Gramm, but the issue is, what are they for? I mean, there at least was a Republican budget offered in the House of Representatives, and more Republicans voted against it than Democrats voted against my budget. There was a bipartisan budget offered in the Senate Finance Committee which by common consent probably couldn't get 20 votes on the floor of the Senate. So what I want to know is, what are they for? I have met with the Republican Senators completely. I meet with the leadership of the Republicans along with the Democrats all the time. I am always anxious to discuss this. But we need to know what the specifics are. I mean, I put out a plan that has $250 billion in tax cuts in it that affects agriculture, veterans, defense, foreign aid, the Federal employee pay, Federal employee retirement, cuts huge amounts out of all these things. They've been trying to convince the American people that there are no spending cuts. Senator Gramm tried to do it in his own State of Texas in the recent election season.

So, if we're going to have anything to talk about, we've all got to at least say what the facts are. All I'm saying is I'd be happy to have any suggestions he has, but we've got to know where we're going on this.

Mr. King. You're saying it would be pointless to sit down unless they come in with a preagenda?

The President. The Senate Finance Committee met last week on the economic plan and dealt with a lot of Republican amendments after they went all over the country saying the issue was spending. The Republicans tried to lower taxes in a lot of different ways, mostly on upper income folks. And everything they offered would have increased the deficit because they did not introduce one single spending cut amendment, because those are the tough and controversial things, because they know how much we've already cut spending in this budget.

So, all I'm saying is, you know, I'll talk to Phil Gramm; I'll talk to anybody. He may want to talk to me this week because I'm trying to save the space station and the super collider in his State, two things I believe in. After having shaved down the space station by $4 billion and shaved the cost of the super collider some, I believe they're important for America as investments in science and technology. But there are a lot of people who are against these projects who are going to try to take his rhetoric and the rhetoric of the recent Texas election and use it against him because of the things they said. So, Senator Gramm may need me this week because I agree with him on this issue, and I hope we can save them for America's sake. But the political rhetoric of some of the Republicans in pretending that there are no spending cuts has made it tougher.

Mr. King. So in other words, what everybody wants is, they don't want to pay new taxes; they don't want to cut any services. We just want a free ride.

The President. Yes, and we want to do it in a way that looks politically palatable. So they talk about, well, let's put a cap on all this spending or limits on all that and not come up with the specifics. My budget has 200 specific spending cuts over the previous Bush budget. A hundred of them are more than $100 million a piece. And I really have tried to take this thing on. For years we listened to all this rhetoric about how we could cut taxes and increase spending and somehow everything would be all right. And we took the debt from $1 trillion to $4 trillion. We had astronomical long-term interest rates. Ever since we've been trying to bring the interest rates down by bringing the deficit down, you see mortgage rates at a 20-year low, housing starts at a 7-year high; construction employment is increased at the highest rate in 9 years. We've got 755,000 new jobs coming into the economy. Most of them are coming in because people are refinancing their debt and freeing up money to invest in the economy. So we're moving this in the right direction. But of course, it's not popular to do these difficult things.

International Economy

Mr. King. You're going to have to go to Japan in a couple weeks. That's a major economic conference. Let's assume the Senate passes this; then they go to House committee, and that of course won't be settled by the time you go there. And you go to a country where their leadership is going to change. How much of a ball of wax is that?

The President. Well, it's going to be a challenge to get a lot done at this summit. But I'm convinced we can. We have two or three issues that we really need to deal with. We're trying to come to grips with the need for a new trade agreement for the world, which I think is very important, will create more jobs in America. We'd have more jobs today if Europe and Japan weren't in the bad economics conditions they're in. Their growth rates are substantially lower than ours. If they were in better shape, they'd be buying more of our products and we'd have more jobs.

The second thing we're going to try to deal with is what we can do, each in our own countries, to promote global economic growth. The Europeans and Japanese have been telling America for years, "Get your deficit down." So we're doing that. Now they've got to lower their interest rates in Europe so they can grow, and they've got to invest some more money in Japan so they can grow and buy more of our products. And if we do it together, we can bring this world out of the recession it's in, and that means more jobs for America.

Mr. King. But what part does Japan play if they're lame duck?

The President. Well, I think that depends upon what all the political sides in the country will say about the negotiations that we're on. I mean, it's pretty clear to me that no matter who winds up being Prime Minister of Japan and what faction that person comes out of, that they're going to have to continue to open their economy to our products. And they're going to have to continue to stimulate their economy, because they don't have a budget deficit, they've got a surplus.

What's happening in Japan now I think has more than anything else to do with the legacy of the various political scandals and the political corruption. I think their economic policy is going to have to take the direction that we support almost no matter who gets elected Prime Minister. They can't withdraw from the world or shut us out now. They've got too much at stake in expanding into China and other countries and doing business in a very complicated world that simply won't allow Japan to be the only rich country in the world with $110 billion a year trade surplus.

Mr. King. So you're hopeful, no matter who it is?

The President. Yes, I am. It presents a challenge to get done the things I wanted to get done in Japan at the conference. It will be more challenging, but I still think that we may be able to do that simply because of the limits on their economic options.

NAFTA

Mr. King. During the campaign you told me, in fact, almost the day it happened, when President Bush signed it in San Antonio, you said to me the next day that you supported this fair trade concept with Mexico and Canada on balance. You had some questions. Do you still have some questions?

The President. Yes, but I'm still for it. As a matter of fact, I feel more strongly today, if possible, that it is the right direction for us to take. The trade agreement, I thought, had some weaknesses. It was negotiated with a greater concern for our financial institutions and our intellectual property concerns, that is, patent and copyright concerns, than for new jobs and environmental cleanup, things that I thought were real important.

So we're trying to fix that. We're trying to make sure that this trade agreement with Mexico and Canada has very strong provisions to guarantee appropriate investments in environmental cleanups, so we don't have more pollution in America or we don't have people going down to Mexico just so they won't have to have any antipollution expenses, and so we have some labor protections.

But I think we're getting there. And I believe that the right kind of trade agreement can create jobs in America. I don't agree that it'll cost jobs. If you look just in the last couple of days, there was a notice from General Motors that they're closing an operation in Mexico, bringing it back to the United States, going to create 1,000 jobs in Michigan and higher labor costs because of the productivity and the nearness to the labor parts market, to the auto parts market. And I think you're going to see a lot of that. If anybody wants to shut a plant down and go to Mexico just because they have cheap wages, they can do that today. Nothing is going to change in the NAFTA agreement. But if you have more growth on both sides, then you'll have less illegal immigration from Mexico, more people will be able to get jobs at home and stay with their families, their incomes will rise, and they'll buy more American products. Last month, Mexico replaced Japan as the second biggest purchaser of American manufacturing products. We have a $6 billion trade surplus with them. That means we create jobs out of our trade with them. So I think it's a good deal for America, and I hope we can pass it.

Media Coverage

Mr. King. One other quick thing. L.A. Times Mirror poll out today says 51 percent of the public thinks the press has been unfair to you, more unfair to you than your predecessors. Any comment?

The President. You know, I always trust the people in the end. They pretty well get it right.

Mr. King. You think that's right, about right?

The President. I think the most important thing now is what I said at my press conference last week. The American people know if there's something going on and some tension that is not—doesn't have much to do with their interests. And I think that's what they have perceived here. And so what I have done, clearly, in the last couple of weeks, is to reach out a hand of understanding to the capital press corps here and to ask them not to stop criticizing me, because that's their job when they think I'm wrong or they think there's a story to be pursued, but to approach this whole work that we have to do together with an atmosphere of respect and greater trust. And I pledge to try to do the same thing.

I think the American people want to see the flaws in my proposal, want to see the contradictions if they are there, want to see me subject to honest scrutiny. But they don't like the feeling of feeding frenzy. They don't want that. And so, you know, I've done what I could, and I hope we'll have the kind of response that the American people plainly want.

Chelsea Clinton

Mr. King. Chelsea going to Japan?

The President. Well, I hope so. I think it would be educational for her, although some people have said that, you know, we ought to consider what kind of Asian press coverage she'll get and whether that would prohibit her from learning anything or doing anything there. But there is a lot of precedent for previous Presidents' families going on trade missions. And I'd like to see her do it. I think she'd learn a lot from it if in fact she'll be able to function when she's there. So we're going to try to figure that out in the next few days.

Mr. King. Thanks, Mr. President.

The President. Thanks, Larry.

NOTE: The interview began at 1 p.m. The President spoke from the Roosevelt Room at the White House.

Interview With Bob Levey of WMAL Radio, Washington, DC

June 21, 1993

Mr. Levey. I'm pleased to welcome you to Newstalk 630, WMAL. Thanks so much for joining us.

The President. Glad to do it, Bob.

Economic Program

Mr. Levey. Let's begin with a question about the deficit reduction bill. It passed the Senate Finance Committee last week. Does this now put you on the high road to passage of this bill, or are we still trundling along somewhere below the high road?

The President. Well, I think it is a high road in the sense that that probably was the most difficult committee in the Senate to get such a bill out of. And the fact that they did it and they did it in a timely fashion is encouraging. And I think what we just have to do now is to try to see that the bill—let the bill pass the Senate and send it over to conference, where the Senators and the House Members can discuss what each of them can live with as well as the principles that I have laid down. And I think we can come out of this with a bill which brings the deficit down, requires upper income people, who are in the best position to do so, to pay the lion's share of the taxes, has more cuts than taxes in it, protects the middle class and particularly gives an incentive to the working poor to work their way out of poverty, and has a lot of economic incentives to grow the economy, the kinds of things that have led so many big companies, labor unions, the homebuilders, the realtors, and others to endorse this plan. I think that it is a very good and balanced plan, and I think you'll see that coming out of the session between the Senate and the House, if the bill will be passed in the Senate this week, and of course I'm hoping it will be.

Mr. Levey. Sir, so you know, of course, that the Republicans, cheered up by the results in Texas, are now going around the country saying that you, President Clinton, are doing more for them than they can do for themselves. What's your reaction to that?

The President. Well, my reaction is that it is unfortunate that our side was not, in

effect, defended in Texas. Neither of the candidates in the Texas Senate race had voted for or supported my economic program. So the voters of Texas, unfortunately, were permitted to cast their ballots in an atmosphere of unreality, I mean, where one candidate is running saying the issue is spending stupid, and we'd cut $250 billion in spending programs. We'd cut veterans, Medicare, agriculture, foreign aid, defense, just about everything you can see. And it's going to be very interesting now, in light of what happened there, to see the debates that are coming up.

I have been a strong supporter, because I believe in it, of the space station and the super collider. We had a qualified panel of experts. Both those projects are in Texas, you know, super collider entirely in Texas, space station largely in Texas. I had a qualified panel of experts look at the space station. They recommended ways to redesign the project that would save $4 billion and to change the management of NASA in a way that would make the whole space program work better. And we also reduced some spending in the super collider. And I'm hoping I can save those projects now.

But there are strong opponents of those projects in the Congress, and they're saying, ''Well, the voters of Texas voted to kill them,'' because of the unrealistic atmosphere in which that whole election unfolded. And I wish that Lloyd Bentsen, who was Senator from there, had been able to spend full time down there telling the people of Texas he put the program together, and he would not have put a program together which was unfair to Texas, unfair to the middle class, and which didn't have spending cuts.

When you take tough stands and you want to make tough decisions, you have to expect to suffer some unpopularity in the short run as the rhetoric overtakes the reality. But every evidence we have is when the voters know the specifics of the program, that we prevail. In the race in California for Leon Panetta's House seat, where this whole program became the issue, the person who was elected to Congress defended the program, advertised it. Leon got on television and gave the specifics of the program. Our opponent attacked us and said how terrible it was. The voters gave the guy who took my position a 10-point margin. And I thought that in view of all the other problems out there, that was pretty impressive.

Mr. Levey. Mr. President, I thought you got off a good line last week. You said that Washington has become the home of gridlock and greed. Are we really that bad, or is this just political language?

The President. No, I think we're breaking that. I think if this economic program passes, it is fair, it is balanced, and it will bring an end to gridlock. But what I'm saying is it's been more than a decade since a President's budget was even taken seriously by Congress. Nobody ever wanted to talk truth about economics to the American people because the truth is that back in 1981 we cut taxes a bunch, and we increased spending a lot, and we went from a $1 trillion to a $4 trillion debt, and we permitted health care costs to soar out of control. We haven't done anything long-term about our economic health, and now we don't have the money we actually need to be spending on defense conversion, on education and training, on Head Start, on giving people incentives to revitalize our cities.

But if you want to change, it's tough because it means we all have to give up a little something now to get something tomorrow. What we're getting is lower interest rates, more investment, and an economy that will really produce jobs. But to do it we've got to break a mentality of ''what's in it for me today.'' But I think we're on the way to doing that. I think the era of gridlock and greed is fading into the distance, and I'll be surprised if we don't adopt the economic program and a lot of other things that need to be done around this town like political reform, lobbying reform, campaign finance reform, national service. I think we'll get health care reform. I'm hopeful. I'm very optimistic. But I want the people to understand clearly that these things don't happen overnight.

Statehood for the District of Columbia

Mr. Levey. Sir, speaking of things that need to get done, let's talk for a minute about statehood in the District of Columbia, which you greatly favored and strongly swore that you would lobby for once you got into office.

And I have not heard word one from you or from your office about that since you took over. Is this still on your list? And, if so, how high?

The President. Absolutely. I strongly favor it. I think it ought to be done. Nothing is clearer to me than when you see the Congress still trying to make up their mind what the domestic policy of the citizens of the District of Columbia in non-Federal matters ought to be. I think that the District of Columbia should chart its own course. And I still believe all the concerns are very compelling.

I have to tell you that there has always been substantial opposition in the Congress. And a lot of Members who might ordinarily be strongly for statehood are nervous about whether their own citizens are going to be taxed by the District of Columbia if it becomes a State. I think the question now is, since this is going to be a major debate that will require an awful lot of concentration on the part of the Senators and a lot of focus to work through the issues, when is the appropriate time for it to be brought up to guarantee that it will be seriously considered? Because unless you get serious consideration, it won't pass. That is, the easy thing for a lot of the Members of Congress will be is just to vote no. The only way it can win is if we can bring it up in a relatively calm atmosphere where people can really focus on the practical problems the people living in the District of Columbia face and on the contribution the District of Columbia makes to the country in terms of taxes, people in military service, and in many other ways.

So I still very much believe that this ought to be done. But we have to bring it up at a time when we've got a fair shot to prevail. I mean, I could bring it up and make a speech for it and let it go down. If we want it to pass, we have to bring it up at the right time where people can really focus on it.

President's Priorities

Mr. Levey. Sir, you said the night before you took over, that you did not want to be allowed to become a captive of the White House. You wanted to be the kind of President who got out. Do you think you've succeeded in that?

The President. To some extent. You know, early on here, I have to stay here a lot and just do the work. There's just so much work to be done.

Mr. Levey. I guess so.

The President. If you're trying to change things as much as we are, if you want to put on the Nation's agenda a new economic plan and a new health care plan and then follow that with a plan to open the doors of college education to all, the plan to reform campaign finance and lobbying, a plan for moving people from welfare to work, that requires an immense amount of effort. And then, of course, every President has to spend a significant amount of time on national security and foreign policy issues.

But I have traveled some. I expect to do it more, and I also try to get out and around in DC a lot. You know, one of the reasons I try to jog downtown is just so I can stop and talk to citizens and let them visit with me and kind of make sure I don't lose touch with the real world. I wish I could go——

Mr. Levey. Well, don't jog when it gets humid out there.

The President. It's pretty hot out there.

Mr. Levey. Yes, it is.

The President. But I'm straight. I expect it to be a never-ending struggle, but I hope it's one I can prevail in.

Mr. Levey. Mr. President, we thank you so much for joining us on Newstalk 630 WMAL.

The President. Thank you. I enjoyed it.

NOTE: The interview began at 1:12 p.m. The President spoke from the Roosevelt Room at the White House.

Remarks to the United States-Mexico Binational Commission and an Exchange With Reporters

June 21, 1993

The President. Please sit down, ladies and gentlemen. I want to welcome all of you here to the Roosevelt Room at the White House and say a special word of welcome to our distinguished guests from Mexico.

Today the U.S.-Mexico Binational Commission is holding its 10th meeting at the State Department. I want to say how very proud I am as President to welcome all the participants here. There is no closer partnership between two nations than that which we have with our neighbor Mexico. We share strong ties of history. Our cultures are richly interwoven. Our people are strong in their bonds of kinship and friendship. And the peaceful cooperation of the communities along our 2,000-mile border is not only important but is a real tribute to both our peoples.

An important sign of this close relationship is the Binational Commission itself, which provides a forum for our Cabinets to meet annually to work on issues ranging from the environment to education to telecommunications. Another sign of that partnership is our increasingly close cooperation in world affairs and our commitment to support democracy here in this hemisphere. We worked together to help end the war in El Salvador. Mexico has contributed to the International Civilian Mission of Human Rights Observers in Haiti. Mexico's leadership in the OAS was critical to the successful collective defense of democracy in Guatemala. And President Salinas speaks with a special authority as one of the world's leading economic reformers when he calls for progress in the Uruguay round to expand world trade.

Mexico and the United States agree that the movement toward open markets and free trade in Latin America is vital for the long term success and strengthening of democracy and human rights in this hemisphere. The countries of Latin American have already made tremendous strides. The emergence of democratically elected governments in this region has permitted Latin America to modernize and to develop. The Latin countries have made enormous progress restructuring and opening their economics, controlling inflation, and increasing the competitiveness of their own productive sectors. In the last 2 years, for the first time in a decade, Latin America has had real growth in per capita income.

Democratic governments have achieved peace, strengthened freedoms, and accelerated the pace of economic integration. With the support of the OAS and the United Nations, internal conflicts in Nicaragua and El Salvador have ended and hopefully will soon end in Guatemala. The OAS routinely observes the freedom of elections across the region. Subregional free trade agreements have emerged throughout the hemisphere. These are points that were recently very well articulated by Foreign Minister Solana at the OAS and those which we in the United States enthusiastically embrace.

Increasingly today, the line has blurred between domestic and foreign policies. What we do abroad directly affects us here at home. And our success at home directly impacts what we are able to do abroad. No relationship illustrates better the strong linkage between foreign and domestic policies than the relationship between the United States and Mexico. The interdependence of our societies and our people are stronger than ever, and they will continue to grow. Domestic policies affect the lives and prosperity of Mexicans, even if they are American domestic policies, in the same way that the domestic policies of Mexico profoundly affect us.

You need only look at the scope and complexity of today's agenda in this meeting to understand how important Mexico and the United States are to each other. We will work to deepen and expand that partnership. One of the most productive areas in which we must work is on trade between our two nations. That has doubled in the last 5 years. This trade is vital to our economic future, to Mexico's economic future, and to our cooperation in every other area of endeavor. It is making both of our economies grow. It is making both of us more efficient and more competitive in global markets. And it adds to the resources we can use to address our common concerns such as the environment.

That is why I am firmly committed to the North American Free Trade Agreement and why the American people and Congress will, I hope and believe, support the NAFTA this year. We are the world's number one exporter. Exports are creating more jobs for us in the last few years than any other source of economic activity. American workers and companies want to be able to compete fully and fairly in global markets. They seek no special advantage, only a level playing field.

Mexico has already made important strides in labor rights and in protecting the environment. And when we conclude the side agreements which are now the subject of negotiations, we will have an even broader basis for cooperation and progress and a warmer embrace of the NAFTA here in the United States.

By approving NAFTA, we can cement in place a new source of jobs and economic growth for workers in Canada, Mexico, and our own country. And we'll do more than that. We can send a signal to the nations of the Americas that are on their way to rebuilding their economies, that we are on our way to work with them to build a hemisphere of freer trade, more jobs, and higher growth.

Once again, let me say how very grateful I am to see all of you here. And I know my administration is proud to be a part of these negotiations. I look forward to our continued successes, including the success of NAFTA. I believe that the future belongs to countries committed to democracy, to free markets, and to closer integration of their economies and more trade. That's where the jobs and the incomes are; that's where the hope of a better life lies.

Thank you very much.

[*At this point, Foreign Minister Fernando Solana Morales of Mexico made a statement.*]

Haitian Refugees

Q. Mr. President, what is your reaction to the Supreme Court ruling on Haitian refugees?

The President. I haven't had a chance to review it. I'm sorry, I haven't had a chance to review it.

NAFTA

Q. Are you frustrated by the fact that these negotiations, the bilateral negotiations, are taking so long and they don't seem to get anywhere yet?

The President. No. I think that everything takes a little longer around here than I think it should. But I think we are getting somewhere, and I think that you will see these negotiations produce successful agreements. And I think we will go forward with the free trade agreement this year. I'm very hopeful.

Q. Can I follow up on that, Mr. President? Don't you think with the full domestic agenda you have and the opposition to NAFTA in the United States, it's more likely to get a ratification, if at all, next year and not this year?

The President. No. Because I think the issue has been, in effect, fully aired and debated before it comes up for ratification. And I think a lot of the questions that have been raised about it in the Congress are the very questions that are being debated and dealt with in the negotiations now going on between the countries. So I would expect that we can get successful consideration of it this year.

And also, you know, I think this is another one of those battles of ideas in which we're engaged. But I believe very strongly that this will create jobs and increase incomes for people on both sides of the border. And I think if that argument is accepted, it's just as likely to be accepted this year as next year.

Henry Leon Ritzenthaler

Q. ——about the half-brother, is this gentleman your half-brother, do you know?

The President. What did you say, Helen [Helen Thomas, United Press International]?

Q. [*Inaudible*]—California. Same question, basically.

The President. I placed a call today, but there was nobody home. I don't think I should say anything until after the call takes place.

NAFTA

Q. You do not have the votes in the House right now. Are you planning on launching a campaign in order to push forward for ratification of NAFTA?

The President. I try to win the things that I support. When we can bring it up, we'll bring it up and try to win it. And I have been discussing this quite a bit, actually, in personal conversations with various Members of the House and Senate and getting advice, beginning to plot strategy. But of course, we'll have a campaign to do it. We can't prevail without a campaign; we have to try to win it.

Thank you very much. One person from the Mexican press, we'll take one question. That's only fair.

Drug Policy

Q. Mr. President, do you have a new policy to fight drugs here, or do you have a new policy towards immigration?

The President. We will, but I believe that the announcement of that should involve the drug czar, Mr. Brown, and others. And we will have something to say about that in the future.

Thank you.

NOTE: The President spoke at 2:10 p.m. in the Roosevelt Room at the White House.

Statement on the Meeting of the United States-Mexico Binational Commission

June 21, 1993

Today the U.S.-Mexico Binational Commission is holding its 10th meeting at the State Department. I want to extend a very warm welcome to the members of the Cabinet of President Salinas and to say a few words about our warm friendship with Mexico.

There is no closer partnership between two nations than that which we have with our neighbor Mexico. We share strong ties of history. Our cultures are richly interwoven. Our people share strong bonds of kinship and fellowship. And the peaceful cooperation of the communities along our 2,000-mile border is important to both of our peoples.

An important sign of our close relations is the Binational Commission itself, which provides a forum for our Cabinets to meet annually to work on issues ranging from the environment to education to telecommunications.

Another sign of our partnership is our increasingly close cooperation in world affairs and our commitment to the success of democracy in this hemisphere. We worked together to help end the war in El Salvador. Mexico has contributed to the International Civilian Mission of Human Rights Observers in Haiti. Mexico's leadership in the OAS was critical to the successful collective defense of democracy in Guatemala. And President Salinas speaks with a special authority as one of the world's leading economic reformers when he calls for progress in the Uruguay round to expand world trade.

Mexico and we agree that the movement toward open markets and free trade in Latin America is vital and for the long-term success and strengthening of democracy and human rights in this hemisphere. The countries of Latin America have already made great strides. The emergence of democratically elected governments in the region has permitted Latin America to modernize and develop. The Latin countries have made enormous progress restructuring and opening their economies, controlling inflation, and increasing the competitiveness of their productive sectors. In the last 2 years, for the first time in a decade, Latin America has had real growth in per capita income.

Free trade agreements have contributed to the progress in regional integration. Democratic governments have achieved peace, strengthened freedoms, and accelerated the pace of integration. With the support of the OAS and the U.N., internal conflicts in Nicaragua and El Salvador have ended and hopefully will soon end in Guatemala. The OAS routinely observes the freedom of elections across the region. Subregional free trade agreements have emerged throughout the hemisphere. These are points that were recently well articulated by Foreign Minister Solana at the OAS and that we enthusiastically embrace.

Increasingly today, the line has blurred between domestic and foreign policies. What we seek to do abroad directly affects us at home. No relationship illustrates better the strong linkage between foreign and domestic policies than our relationship with Mexico. The interdependence of our societies and people are stronger than ever and continues to grow. Our domestic policies affect the lives and prosperity of Mexicans in the same way that the domestic policies of Mexico profoundly affect us. You need only to look at the scope and complexity of today's BNC agenda to understand how important Mexico and the U.S. are to each other. We will work to deepen and expand our partnership even further.

One of the most productive areas in which we must work closely together is on the trade between our nations, which has doubled in

the past 5 years. That trade is vital to our economic future, to Mexico's economic future, and to our cooperation in every area. It is making both our economies grow. It is making us both more efficient and more competitive in the world market. And it adds to the resources we can use to address common concerns such as the environment.

That is why I am firmly committed to the NAFTA, and it's why I believe the American people and Congress will support the NAFTA this year. We are the world's number one exporter. Exports are creating more jobs than any other source in our economy today. American workers and companies want to compete fairly in the international market. They seek no special advantage, only a level playing field. Mexico has already made important strides in labor rights and in protecting the environment. When we conclude the side agreements, we will have an even broader basis for cooperation and progress.

By approving the NAFTA, we will cement in place a new source of jobs and economic growth for workers in Canada, Mexico, and the United States. And we will do more than that. We will send a signal that the nations of the Americas are on their way to building a hemisphere of freer trade.

Once again, I wish to reiterate my deep personal commitment to continuing the positive, friendly relations between the U.S. and Mexico. I look forward to celebrating together with you the happy occasion of congressional approval of the NAFTA before the end of this year.

Proclamation 6574—Suspension of Entry as Immigrants and Nonimmigrants of Persons Who Formulate or Implement Policies That Are Impeding the Transition to Democracy in Zaire or Who Benefit From Such Policies

June 21, 1993

By the President of the United States of America

A Proclamation

In light of the political and economic crisis in Zaire, I have determined that it is in the interests of the United States to restrict the entrance into the United States as immigrants and nonimmigrants of certain Zairian nationals who formulate or implement policies that impede Zaire's transition to democracy or who benefit from such policies, and the immediate families of such persons.

Now, Therefore, I, William J. Clinton, by the power vested in me as President by the Constitution and laws of the United States of America, including section 212(f) of the Immigration and Nationality Act of 1952, as amended (8 U.S.C. 1182(f)), and section 301 of title 3, United States Code, hereby find that the unrestricted immigrant and nonimmigrant entry into the United States of persons described in section 1 of this proclamation would, except as provided for in section 2 or 3 of this proclamation, be detrimental to the interests of the United States. I, therefore, do proclaim that:

Section 1. The entry into the United States as immigrants and nonimmigrants of persons who formulate, implement, or benefit from policies that impede Zaire's transition to democracy, and the immediate family members of such persons, is hereby suspended.

Sec. 2. Section 1 shall not apply with respect to any person otherwise covered by section 1 where entry of such person would not be contrary to the interests of the United States.

Sec. 3. Persons covered by sections 1 and 2 shall be identified pursuant to procedures established by the Secretary of State, as authorized in section 6 below.

Sec. 4. Nothing in this proclamation shall be construed to derogate from United States Government obligations under applicable international agreements.

Sec. 5. This proclamation is effective immediately and shall remain in effect until such time as the Secretary of State determines that it is no longer necessary and should be terminated.

Sec. 6. The Secretary of State shall have responsibility to implement this proclamation pursuant to procedures the Secretary may establish.

In Witness Whereof, I have hereunto set my hand this twenty-first 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, 10:50 a.m., June 22, 1993]

NOTE: This proclamation was published in the *Federal Register* on June 23.

Teleconference Remarks With the U.S. Conference of Mayors

June 22, 1993

The President. I'm honored to address all the United States mayors at your conference. I want to thank you first for the strong support that you've given the economic plan I presented to the Congress and to the country. You supported it not only because it's good for the cities but because it's also good for America.

Your president, Mayor Bill Althaus, has certainly earned my respect and support because he's looked beyond party labels to support this plan because it's good for the people of his community. I look forward to having just that good of a relationship with your incoming president, my longtime friend Mayor Jerry Abramson. And I want to say a special word about your host, Mayor Dinkins, a great Mayor of a very great city.

As mayors, more than any other public officials in this country, you have been on the frontlines of public service. Every day you hear from people who have lost their jobs, who live in fear of crime, who desperately want to improve their children's schools and their own way of life. Many of you are trying to reknit a social fabric that has been unraveling for a long time now. From schools with metal detectors to hospital emergency rooms crowded with gunshot victims, to children bearing children, you know what the real problems of America are. I often think that being a mayor today is an act of faith that somehow our cities' problems will not overwhelm their promise. And our cities must always be the centers of commerce and culture, magnets for talent and ambition, places of hope and opportunity. We can't let the problems overcome the promise.

I wish I could be with you today in person, and I will look forward to doing that as you meet in the future. But my first obligation to you and to America is to keep fighting here in Washington for my economic plan. It will create jobs, increase incomes, offer hope and opportunity, and give us the freedom we need to invest in America, in the future.

For 12 years we have seen, all of us, you as mayors and me as a Governor, we saw what happened as we wrestled with many of the problems that grip America everywhere and got a message from Washington, ''You're on your own.'' Washington ran up the national debt from $1 trillion to $4 trillion and still reduced investments in the things that make us stronger and wealthier and more secure as a people. We got make-believe budgets from Presidents and mandates without money from Congress. And Washington never was willing to take responsibility for the future of this country, leaving it to the mayors and the Governors to make all the tough choices.

Well, I don't expect anyone in that room today with you agrees with everything that I'm trying to do as President. But I think all of you understand that because of the massive debt we inherited, I can't do everything that I want to do. But I'll tell you this: I am determined to establish a new relationship, a new partnership with our Nation's cities based on respect and responsibility and an understanding that you ought to have more flexibility to do your work without so much micromanagement and regulation from the National Government. I also want to put the Nation's money where our values are. I want us to invest in rewarding work, strengthening families, and restoring our communities. And I want to set an example of responsibility by making the tough choices that have been avoided and evaded for too long here.

My economic plan is necessary and fair, and it will work. It brings down the national deficit by $500 billion over the next 5 years. For every $10 we cut the deficit, $5 comes from spending cuts; $3.75 from the highest income Americans, those in the upper 6 percent of income brackets; and $1.25 comes from the middle class. Two-thirds of this tax

burden comes from people with incomes above $200,000 because they can best afford to pay. And over 100 specific spending cuts are over $100 million each.

Now, it's easy to criticize this plan, maybe just because I've put forward a plan. Most of my critics don't have a plan of their own. Some say they're willing to cut Social Security and Medicare benefits for people just above the poverty line or cut more in veterans benefits than have been cut already or cut tax credits for the working poor just to reduce the tax burden on the wealthy. Well, I draw the line there. I don't think that's fair. I think that we need a fair tax system, not because we want to punish success but because in the 1980's we ran up the deficit while raising taxes on the middle class and lowering them on upper income people.

Now I ask my critics in Congress, where are your tough choices? What are you going to do? If you want to reduce the tax burden on the wealthy, where will you make up the money? What will you do to reduce this deficit? Are you willing to make the same kinds of decisions that I have? I wonder what the middle class, the working poor, the old, the sick, and the veterans will do if the failed policies of the past are not abandoned. I also wonder what they'll do if we don't ask all the rest of us to pay our fair share so that we can still continue to take care of them.

Make no mistake about it, I want to change the way Washington works with people all across this country. I want to move beyond the politics of both parties in Washington, beyond the politics of abandonment, of the politics of entitlement. We've got to have a sense that we're doing this together. We can't do everything for the cities or the people of America, but we can't turn our backs on you either. And frankly, that's what you've had for the last 12 years.

I want a new spirit of empowerment that offers you a hand up, not a handout, that works with you instead of working you over. I want to offer more opportunity and demand more responsibility. And I know the mayors of this country are ready for that kind of arrangement. Just as we need to stop spending on things that don't work, we need to invest more in things that do work.

My plan does cut the deficit, but it finds the money to invest in empowering people to build better lives. I want to empower families to build better lives for their children and am fighting to expand the women, infants, and children's nutrition program so that every expectant mother who needs help can get it. I'm fighting for full funding for Head Start so that every child can start school ready to learn. I want to empower people through education. I'm fighting for tough standards for our students and our schools. I want to give them the resources they need to meet those standards. To offer young people new hope and teach work habits, I'm fighting for summer jobs. Congress has approved 580,000 publicly funded jobs, and we're asking for another 215,000 and challenging the business community to match our commitment. The Labor Secretary, Bob Reich, has been there talking to you about that.

I want to make it possible for tens of thousands of young people to pay off their college loans by serving the communities in which they live. That's the thing your previous speaker was talking about. The National Government can offer you our greatest resource, our people, to work in the streets, in the neighborhoods, in the communities, to work on programs that really change people's lives for the better, programs that you couldn't afford to have as mayors were it not for national service. And I'm proud to say that the national service bill has passed both committees in the House and the Senate just in the last few days with real bipartisan majorities.

To provide new opportunities for young people who aren't going to college, my plan contains the boldest national apprenticeship program our country has ever known, more funds for training in your communities. I want to empower low income people by making work pay. By expanding the earned-income tax credit, we can establish a principle that will be important in every city in this country. If you work 40 hours a week and you have a child at home, you'll no longer live in poverty. We need to encourage full-time work, not lifetime welfare.

I want to empower communities to protect themselves, and I'm fighting for $200 million to help you hire back police officers you've

had to lay off. I want to put 100,000 more police officers on our streets and promote community policing programs. That's the best anticrime program we can have.

I want to empower our communities to create new jobs, and I've proposed an empowerment zone program in excess of $5 billion, so that communities can work with the private sector, and we can finally see whether these incentives can attract businesses and create new jobs for people in our distressed inner cities and small towns. I believe they will. We're offering bold, new tax incentives for businesses to create jobs and asking each of you to create a strategy to rebuild your own community. We've learned that Washington can't solve problems from the top down, but that we have to help you. We also know you can't have capitalism without capital. That's why I have proposed a $382 million funding for a network of community development banks all across this country to provide the credit and the banking services that are the lifeblood of local economies and that don't really exist in too many of our communities.

Almost a year ago, I left another convention in New York on a bus tour through America's heartland, to Mayor Althaus's hometown of York, Pennsylvania, to Mayor Abramson's hometown of Louisville, and to many of your own cities and towns. Every day I go to work in the White House, I think about how to create jobs and hope and opportunities for the people I visited on those bus tours. I can't do it alone. I need your support in the tough choices that are coming up in Congress. If you'll stay involved and vigilant and vocal, we can create a vibrant economic growth for every community in this country. We can do it. We can cut the deficit. We can build on the successes we've had.

Just in the last 5 months you see interest rates down, homebuilding up, 130,000 new construction jobs—that's the biggest increase in 9 years—755,000 new jobs in the economy in only 5 months, 90 percent of them in the private sector. This program to bring the interest rates down through deficit reduction is working. And when we do it, we will then have the funds we need to invest in the kind of partnerships that will help us to deal with the problems that all of you face.

So that's what I offer you: a partnership, an economic program that works, and finally, over the long run, the way to deal with a lot of these underlying, deeply seated cultural and social problems that I know have bothered all of you. We have to find new and different ways, one on one, to help to deal with the scourges of drug abuse, of crime, of unsafe streets, and of all these children who are out there having children themselves. But I am very, very hopeful, because I still believe the most creative and innovative leaders in America are those at the grassroots. I'll work with you, and I'll try to be the best partner you ever had in the White House.

Thank you very much.

[*At this point, Mayor Althaus thanked the President and introduced Mayor David Dinkins of New York City, who asked the President to implement a more efficient system for distributing Federal funds to cities.*]

The President. Mayor, first of all, let me say a word of greeting to Secretary Brown; I see him sitting next to you. I understand five of my Cabinet Secretaries have been there, and I can't find anybody on the phone here in Washington. I hope nothing bad happens while the mayors conference is going on.

I wanted to say just a word about that. As you know, that's a matter that's been debated for years among the mayors, the Governors, and the Congress. We are in the process right now, through the Vice President's task force on reinventing government, of reexamining the way the Federal Government relates to the cities and the States. And if I might make a specific suggestion, I think it would be very helpful if you, or Mayor Abramson, if that's the appropriate person to do it, would designate a group of mayors to make a very specific proposal to our task force because—and obviously, we'll have to invite people who might disagree to do the same thing—but I think it's very important that we examine this because one of the things that I'm concerned about is the colossal amount of money we waste every year trying to micromanage these grants, trying to have extra layers of regulation. And I think

that a lot of these things need to be reexamined.

So I think the proper forum for us to do that in is this one. And it's on a very fast track because the report is due in September, so it's not anything we're going to dillydally around about. And I would like you to make a proposal to our commission.

[*At this point, Mayor Paul Helmke of Fort Wayne, IN, requested the President's support for legislation to prevent unfunded Federal mandates.*]

The President. Well, I haven't reviewed the bill, Paul, but I certainly think that we shouldn't have unfunded mandates. I spoke out against them as a Governor. I told the mayors that I would be opposed to adding to your burdens. I don't believe in that. And I'll review the bill and see whether or not we should support the bill, too. But I have told our administration clearly that I don't want us up there on the Hill supporting bills to load up a bunch of new burdens on the mayors and the Governors when they're broke, when we're not increasing funding to the States and the cities as we should. And I've sent a very clear signal on it. And I will review the legislation.

I also want to thank you and Bill Althaus and many other Republican mayors for supporting the jobs stimulus program. And let me say that I think after we pass this budget we'll be able, together, in a very bipartisan fashion, to try to make the argument that was made there again, which is that there is a difference between investment and consumption spending, and that while the Federal Government may be spending too much on regulation, on the programs of the past, and on uncontrolled health care costs, we are actually not anywhere nearly where we need to be in targeted investments that create jobs and opportunities not only in the public sector but in the private sector. And the mayors were very, very helpful in that regard. I'll never forget what you did. And I don't want you to think that the battle that you waged more ferociously than any other single group in the United States—you did more to try to help that package—and I don't want you to think that the battle you waged was for nothing, because the battle you waged was about an idea that we're still going to have to fight to get back into our national consciousness. Not all Federal spending is the same. Not all taxes are the same. We have to learn to make very rigorous distinctions if we want to grow this economy. And so I do want to thank you for that. And I will review the Kempthorne legislation. Thank you.

Mayor Althaus. Mr. President, I don't know that we've ever been called ferocious before, but we appreciate it. [*Laughter*]

The President. I can't believe you were never called ferocious.

[*At this point, Mayor Abramson asked the President to explain his defense conversion plan.*]

The President. Secretary Brown can discuss this in greater detail, but let me say that we have spent a lot of time through the National Economic Council, with all the Departments that you mentioned, trying to make sure that we have a coordinated conversion plan. Some of the work has to be done in the Defense Department. We are shifting more research and development into other areas. We are doing what we can to make sure that the work that is done in Commerce and Energy—Energy has the national labs, as you know—and the Labor Department, that all these things are coordinated and that you will be able to work with the National Economic Council or with any Cabinet Secretary and still have the benefits of all of us working together. We really tried to minimize the turf battles here.

I also asked for quite a large increase in defense conversion funds over the next 5 years, although I don't think it's as much as we need, and I think we'll be asking for more as we go along. And I want to emphasize basically three things because this is not an easy issue. I've done a lot of work on this myself as a Governor. We have to be prepared to retrain workers who can't keep the jobs they have. We have to be prepared to invest in companies to help them find dual-use technologies in the hope that those companies can keep as many workers as possible and can find new products and services they can provide. We also have to be prepared to invest directly in communities that will

have to develop all new economic strategies. There are communities which basically don't have a diverse economic base today, where if they lose a base, for example, instead of a plant, that may have great difficulty in redesigning an economic strategy even though they may have the resource of the base right there that they can use. So my view is that there is no silver bullet here. You have to work on the workers, the companies, and the communities. And we've got to keep working on this.

I will say this: I think there is a lot of sympathy and understanding of these problems in the Congress. And I think that the mayors will be able to have some significant successes in the years ahead. If we can go on and pass this economic program, lock down our determination to bring the deficit down, and keep these interest rates down, then I think we'll be able to come back to the Congress on conversion issues and do quite well.

[*At this point, Mayor Juanita Crabb of Binghamton, NY, asked the President to meet with mayors and police chiefs to discuss community policing programs.*]

The President. I think that's a good idea, Mayor Crabb. I think the goal can be achieved, but it's important that we achieve it in a way that you feel is maximizing your ability to do a good job and that we do it in a way that achieves the ultimate objective, which is safer streets and more robust and hopeful communities. So I'd like to have the meeting with you and, obviously, representatives of the police chiefs.

There are three or four different avenues that we can pursue to get to our ultimate goal of having 100,000 more police officers. And we really need to talk about what's best for you, what works best, how you can get folks with the maximum flexibility to pursue community policing strategies. I'm very interested in this. This is something that the Attorney General and I have had several conversations about already, and there are a lot of people in the White House itself working hard on this. I think we ought to get our group together and meet with your group and just talk it out, and we can develop a coordinated 4-year plan to get the job done. I'm anxious to do it. It's one thing we can do that will literally change the lives of most Americans who live in the communities affected by it. And we need to continue to work on it until we get the job done.

[*At this point, Mayor Althaus thanked the President and reaffirmed the mayors' support for him.*]

The President. Thank you, Mayor. Goodbye.

NOTE: The President spoke at 10:50 a.m. from Room 459 of the Old Executive Office Building.

Telephone Conversation With the Crew of the Space Shuttle *Endeavour* and an Exchange With Reporters

June 22, 1993

The President. Can you hear me?

Mission Commander Ronald Grabe. Mr. President, I believe we hear you loud, but slightly broken up.

The President. Well, we can hear you, and we are looking at you. And you all look wonderful.

Commander Grabe. Well, you're loud and clear now, Mr. President. That's much better.

The President. We want to congratulate you on a spectacular launch and on looking so happy. The American people are very reassured watching you on television now.

Commander Grabe. Well, thank you sir. It's early in the mission, but we're very excited about the mission. It's certainly a multifaceted one, and it really does show the versatility of the space shuttle. We're doing a little bit of everything on this flight.

The President. I know. I understand one of the things you're doing is chasing down the EURECA satellite that was put up by the shuttle last July. And I'm especially pleased about that because it shows what we can do in the way of international cooperation as well as science. And I want to congratulate you on that and wish you well.

Astronaut Janice Voss. Thank you very much, Mr. President. We've been working very hard for about a year training for this rendezvous and retrieval. And we've had a lot of fantastic support, both in our own

country in our own ground support team and the international team all over in Europe, and we're looking forward to bringing back great science in EURECA to the Europeans.

The President. We're looking forward to that, too. I also understand that David and Jeff will be outside the shuttle practicing for the repair of the Hubbell telescope and for the future assembly of the space station. And I thought that maybe one of them or both would like to comment on it so people can get a good look at you now, and when they see you outside in your suits they'll know who they're seeing.

Astronaut Jeff Wisoff. Well, Mr. President, we're looking very forward to the space walk. We feel proud to be able to represent America. And we're very happy of your support of the space station. We think it represents the best of America and their pioneering spirit. And the NASA team has done a really great job of preparing us for our flight. And I think both Dave and I just can't wait to get there.

The President. Well, we're excited about it. And while you're up there, we're going to be down here trying to support the space program and the space station. As you know, we had a very distinguished commission looking at the whole space station project. They recommended some redesign and some management changes at NASA. But I think this should give us a great deal of credibility. We've got some important votes coming up in the Congress in the next 2 days. While you're up there, we're going to be down here voting on this project. And I very much hope that we can prevail, and I think, frankly, your success and your work will help us to prevail. You're doing as much up there to help us win the votes down here as anyone, and I thank you for that.

Commander Grabe. Well, Mr. President, we're very gratified by your support of the space station. We certainly all consider it to be an immensely important project in continuing our leadership in science and technology.

The President. Thank you. Let me just say one last thing about something that's very important to me. I understand that later in the mission Janice and Brian are going to be talking with schoolchildren around the world. And you may know that my daughter is a big fan of the space program. She's off at summer language camp now. But I want to just tell you how much I appreciate the fact that you're making an international education project out of this mission. That's very important to me.

Astronaut Brian Duffy. Mr. President, we find that using amateur radio is an excellent way of communicating with children all around the world, and we're also able to excite them by using space and science. In letting them see space and science in action, we're able to excite them and hope they'll study harder.

The President. You have no idea. You may be on this mission creating thousands of scientists for the future just by the power of your example and by this direct communication. I think sometimes we underestimate the impact that human contact in an enormously impressive setting like this can have on children all across the world, not only those with whom you'll talk but millions of others who will just see it and know that it happened.

I want to thank all of you for the wonderful job you've done. We're very proud of you, and we're very proud of all the NASA folks down here who are supporting you. I want to encourage you and say again that I'm behind you, this administration is behind you, and I think the American people are behind you.

Astronaut David Low. Mr. President, once again, we thank you very much for your support. It's a real pleasure to be up here at your service.

The President. Thank you. Let's hear from the last astronaut there.

Astronaut Nancy Sherlock. I just wanted to add my thanks for your support. We all feel that the space program has done a tremendous amount for this country, both in promoting inside the country science education and also with the international partners. And it means a lot to us to know that that support still is around and that we're going to have a strong space program in the future.

The President. I'm committed to that. The American people, in watching you today, can see one area of human endeavor in which

we are indisputably continuing to lead the world and bringing other countries into partnership. And both leadership in technology and science and partnership with other countries, those are the keys to our future as a people, to our standard of living, to our quality of life, as well as to our ability to continue the American tradition of exploring frontiers. And I'm very proud of you, and I wish you well. And we can't wait until you get home safe and sound. But have a great time up there, and learn a lot, and we'll all learn from you.

Good luck, and God bless you all.

[*At this point, the telephone conversation ended.*]

Gays in the Military

Q. Mr. President, there's apparently a memo circulating over at the Pentagon suggesting that gays should be allowed to serve in the military if they simply don't advertise their status. Is that what you're likely to recommend?

The President. I think I should wait until I get the report from the Pentagon. I have not received the report. I talked to Secretary Aspin very briefly just a couple of days ago and asked him to proceed with this and let me know as soon as possible. I think the American people in the military are certainly ready for a resolution. But I can't comment on the specifics until I see it.

Q. Does that sound like a good solution to you?

The President. I want to see what the details are. There's been a lot of very helpful comment I think on this whole issue, finally, in the last few weeks. Senator Dole was very helpful in what he said. I thought some of the people who testified, interestingly enough, on both sides of the issue in the last set of hearings really tried to shed more light than heat, tried to bring down the emotionalism in the debate and get people to look at the facts. So I think we're ready to resolve this and get it behind us. And I hope that it will happen soon. But I don't want to comment specifically until I get a specific recommendation.

Q. But you haven't changed your mind, have you?

The President. Absolutely not. And I don't see this as a liberal-conservative issue. I mean, you've got a core who was in the Reagan administration supporting the idea that there has to be some provisions for people who don't do anything wrong but who are homosexuals serving in the service. You've got Barry Goldwater, you've got a lot of people who served with great distinction in the military who are now in the Congress taking the same position. So I think we're coming toward agreement on it, and I'm hopeful. But I'd like to see it resolved soon.

Henry Leon Ritzenthaler

Q. Sir, have you spoken to this fellow who claims to be your brother—half-brother?

The President. No. I left word on his answering service in California yesterday. I didn't know he was in the air. And I also left word in New York. And I'd like to talk to him, and then I'll have a brief statement about it. But I think I should—I'd like to try one more day to talk to him.

Q. I think he's afraid to call you.

The President. Well, I hope not; I mean, we left word that it would be fine for him to call.

Q. He's showed some reticence.

The President. He's been, I think, very appealing and humble the way he's handled this whole thing. I've been impressed.

Pat Nixon

Q. Any thoughts on the death of Pat Nixon?

The President. Well, I'm very sad, and I intend to try to speak with President Nixon today. I talked with him a couple of times in the last month, once when he was at the hospital and once when he had just come from the hospital in the last month or so, to ask his advice about various things. You know, they had a very long and very close marriage. And this must be a very difficult time for him. I think the American people really appreciate the dignity with which she served as First Lady. And I hope and believe that the Nixon family has the thoughts and prayers of all the American people today.

Q. Is Panetta going to tell us anything we don't know? [*Laughter*]

The President. Well, that's not so much a condemnation of me as a compliment to

you. You know everything already. [*Laughter*]

NOTE: The President spoke at 12:45 p.m. in the Oval Office at the White House. The exchange portion of this item could not be verified because the tape was incomplete.

Statement on the Death of Pat Nixon

June 22, 1993

The Nation is deeply saddened today by the loss of former First Lady Pat Nixon.

Patricia Ryan Nixon was a quiet pioneer whose concern for family and country will leave a lasting mark on history. Mrs. Nixon personified a deep reverence for the cherished American traditions of community service, voluntarism, and personal responsibility to one another.

As First Lady, she was indeed a lady of ''firsts.'' She was the first First Lady to represent the President of the United States on an official overseas visit. She was the first incumbent First Lady to publicly support the equal rights amendment. And she was an early advocate of promoting a woman to the U.S. Supreme Court.

While always dignified and gracious, Mrs. Nixon was also a passionate believer in volunteer service and the importance of Americans helping one another. The appearance of the White House today and its accessibility to visitors at special times each year owe themselves in large degree to her generous and creative efforts. During her first Thanksgiving as First Lady she invited 225 senior citizens from area nursing homes to the White House for a special meal. She invited hundreds of families to nondenominational Sunday services in the East Room. And she offered the White House as a meeting place for volunteer organizations dedicated to solving community problems.

Mrs. Nixon, a mother of two, was also a loyal and steadfast believer in family. She traveled extensively with her husband across the Nation and abroad and was widely praised for her diplomatic gestures overseas. As she said in 1971, ''We've always been a team.'' We are heartened that former President Nixon and Mrs. Nixon were able to celebrate their 53d wedding anniversary yesterday. Our thoughts are with Mrs. Nixon's family today as we remember her many accomplishments and contributions to the Nation.

Statement by the Press Secretary on the President's Task Force on National Health Care Reform

June 22, 1993

The United States Court of Appeals for the District of Columbia ruled today that the President's Task Force on Health Care Reform, chaired by First Lady Hillary Rodham Clinton, was not subject to the Federal Advisory Committee Act. The Court of Appeals decision confirms that the task force operated in full compliance with the law.

In reversing the United States district court on this issue, the court of appeals held that Mrs. Clinton is a ''full-time officer or employee of the Government'' for purposes of the advisory committee act. The court of appeals decision means that the advisory committee act's requirements for open meetings and production of documents did not apply to the task force.

The President announced the creation of the health care task force, as well as interdepartmental working groups, on January 25, 1993. The task force held over 20 meetings in April and May and has presented health care reform proposals and options to the President. The President is now in the process of reviewing those proposals and options and will be preparing a final proposal for delivery to Congress.

The task force terminated on May 30, 1993. There are no plans to reconvene the task force.

White House Statement on the Posthumous Award of the Presidential Medal of Freedom to Arthur Ashe

June 22, 1993

The President awarded a posthumous Presidential Medal of Freedom, the Nation's highest civilian honor, to tennis great Arthur Ashe at the National Sports Awards ceremony at Constitution Hall Sunday night.

Presenting the medal to Ashe's widow, Jeanne, the President noted that Ashe "battled his way to the top rung of international tennis, and he did it with an inner strength and outward dignity that marked his game every bit as much as that dazzling crosscourt backhand."

Appointment of Cochairs of the President's Council on Physical Fitness and Sports

June 22, 1993

The President has appointed Olympic gold medalist Florence Griffith Joyner and former NBA star and Congressman Tom McMillen to be the Cochairs of the President's Council on Physical Fitness.

"It is very gratifying that two such distinguished individuals as Florence Griffith Joyner and Tom McMillen have agreed to join my team as Cochairs of the President's Council on Physical Fitness," said the President. "They are heroes to millions of Americans and deservedly so. I look forward to the advice that they will provide Secretary Shalala and myself on how we can enhance opportunities for all of our people to participate in physical fitness and sports activities."

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

Exchange With Reporters Prior to a Meeting With Congressional Leaders

June 23, 1993

Economic Proposal

Q. Mr. President, is there any way the Republicans can put a plan together that meets your criteria without taxes?

The President. Well, I don't see how. You know, we've already cut $250 billion in spending. We've cut Medicare, Medicaid, veterans, farmers, defense, foreign aid, every part of the Federal Government. The Republican leader said a couple of days ago he was willing to raise taxes on the wealthy, but apparently the people in his caucus who want to protect high income people and the tax cuts they got in the eighties, while the middle class got a tax increase, are going to win once again. So what he'll have to do is come up with some version of the same plan they have in the House. The Republican plan in the House, I will remind you, lost more Republican votes than the Democratic plan lost Democratic votes. And the reason is it was unfair to the middle class, the working people, the elderly, and to others because it protected upper income people. And I think you're going to see the same thing. We'll see what they have to say, but I can't imagine what else they can do.

We've got a 5-year freeze on domestic discretionary spending. We're cutting defense all we should, in my opinion, and then some. The only thing that's going up in this budget is health care next year. The only thing that's going up is health care. So it's going to be very interesting to see when they have to face the music what they'll say. But we're all eagerly waiting.

Q. When do you think you can get this reconciliation through a conference committee, assuming the Senate passes it?

The President. Well, one step at a time. We have to get it through the Senate first. We have to get the Senate Finance Committee bill on the floor, watch the amendments come forward, see what happens, and try to pass a bill in the Senate to go on to Congress. And then once we do that, we'll talk about the conference committee.

Q. Leon Panetta said yesterday that one of the goals was going to be to restore veterans. How are you going to do that, go more toward the House plan of raising taxes or the Senate plan, which is more cutting entitlements?

The President. We're going to do a good job of that. Just watch.

NOTE: The President spoke at 9:45 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 the Economic Program and an Exchange With Reporters

June 23, 1993

The President. I just want to make a couple of remarks about where we are in the Congress today. We're at the eleventh hour of this budget debate. It's been going on for months now. And the Republican Senators say finally they're going to offer a plan. The plan clearly, if you look at all the options, will be to protect the privileged and to punish the middle class and the most vulnerable.

The Senate Finance Committee bill which was reported out last week now has 78.5 percent of the burden of new taxes falling on people with incomes above $200,000. All the analysts say that my plan is an honest budget plan, that it will reduce the deficit at least as much, if not more, than we're saying, and it is fair. And we're working hard to pass it in the Senate.

But we ought to have some bipartisan support. We ought to have some Republican support for this. And the fact that the Republican Senators are thinking about coming out with a plan now, calling it a no-tax plan, which is really nothing but a shield to keep the wealthiest Americans from paying their fair share, even though their taxes went down for the last 12 years while the deficit exploded, is a real disservice to this country.

Economic Program

Q. Why, Mr. President, do you think the Republicans want to protect the privileged?

The President. Well, that's what they did. That's what their 12-year economic policy was all about. That's what trickle-down economics was based on, that if you just lower taxes on the wealthy enough and when you have to increase them, increase them on the middle class, and that upper income people, when they get all the economic gains, will then reinvest it, create jobs, and raise incomes. It didn't work. It has never worked in the history of the country.

I want to emphasize, I do not want to punish success. This is not what this is about. I want to reward success. My plan has real incentives for small business, for new business, for new technology. I want to reward success, and I want people to make a lot of money. But we have to have a fair tax system, and this plan should require the vast majority of the new revenues to come from people with incomes above $200,000 because they're the ones that got the benefits of the 1980's.

Q. Do you think their plan will get anywhere? And do you have any Republican support?

The President. No—well, I mean, look at what happened in the House when they had the same sort of thing. The Republican plan in the House lost more Republican votes than the Democratic plan lost Democratic votes.

Q. Are you looking for some kind of middle ground compromise where you might be able to bring on some Republicans?

The President. Well, I'm going to try to pass—what I think we have to do is to get this bill into conference, come out with a bill that meets our objectives: $500 billion in deficit reduction; more cuts than tax increases; progressive tax increases; and then real incentives to reward work, to reward families, to reward investments in this economy. That's what we're trying to do. And I think we're getting close.

Interest Rates

Q. Are you willing to, sir, accept a mild increase in interest rates?

The President. For what?

Q. From the Fed.

The President. Well, whatever they do, I think, long-term interest rates will stay down. That's the key to the economy. But there's no inflation in this economy now that we can see.

Q. So they should not raise rates?

The President. That's a decision they have to make.

NOTE: The President spoke at 12:44 p.m. in the Rose Garden at the White House.

Remarks at the Presidential Scholars Awards Presentation Ceremony

June 23, 1993

I want to thank you all for being here and welcome the Members of Congress who are

here and those who were here who had to leave for a vote. I want to say a special word of—it's a good vote—[*laughter*]—I want to say a special word of thanks to the Marine Band for being here to play for us today. Thank you. Since my office is just over there, when they come out here to play for you, they also keep me in a far better frame of mind as I work through the day.

I thank the Commission on Presidential Scholars for all the work that they have put into selecting this year's recipients. I especially want to thank my good friend Governor Florio of New Jersey for his work as Chairman. I asked him to serve as Chairman because I admire the courage and conviction with which he has conducted himself as Governor of New Jersey and particularly the bravery that he showed in dealing with the educational needs of the people of his State.

The Secretary of Education, Dick Riley, formerly was Governor of South Carolina, and in that connection he labored mightily for years to improve the education of the children of his State and served as a mentor of mine. And I thank him for his leadership.

As I look out at this group today of proud parents and family members and friends and educators, I'm reminded once again of the curious mix of things that produces the sort of achievement that we see embodied in the young people on this stage today. There are, unfortunately, still a lot of people in the United States who believe that how much you learn and how well you do in life depends primarily on your IQ. And yet we know that if you strung all the people on the globe together from first to last by IQ, you couldn't stick a straw between any of the two. A remarkable combination of ability and intangible things like encouragement and love and support as well as personal effort and drive and commitment go into making up really gifted learners who are committed to doing it for a lifetime.

All the young people who have been acknowledged today have great natural talents, and they should be grateful for what God has given them. But every person on this stage today, not only them but me, we're all here because of the people who helped us along the way.

There's a young man who was supposed to be here today named Justin Konrad, from the State of Maine, who on June the 5th was in an automobile accident that claimed the life of one of his friends and claimed part of one of his legs. Today he's in a hospital in Maine recovering from his injuries. I talked to him this weekend when I was up in Maine, and he's already talking about going to Harvard and majoring in government and playing sports. When he gave his—let me see if I can pronounce this—salutatorian's address at his high school graduation, he gave a speech about optimism. And he still has it, and I hope all of you will be able to keep it as you go through college and you pursue your careers. Keeping a positive frame of mind may sound like an obvious and easy thing. It becomes increasingly difficult with a difficulty of circumstances, but more important with every passing day.

Last Saturday, just before I spoke with Justin by phone, I was speaking at the commencement of Northeastern University in Boston, and I met another young student there graduating from college named Doug Luffborough. He was the person who was designated by his fellow students at Northeastern to speak on their behalf. Doug's mother is a cleaning woman who earns $7,000 a year and who, in addition to her regular job, cleans a private school part-time to pay tuition for another of her sons. For a while, the mother and all of her children were actually homeless.

It's remarkable that this young man ever got to go to college at all. The advice he got from one of his counselors was to give it up and start looking for a job. But his mother believed in him and refused to let him aim low. When she couldn't get a babysitter, she took him along to work. And he watched her day-in and day-out never give up hope, and by her example he learned a powerful lesson. When he came to Northeastern University, the school made it possible for him to work part-time while going to school, and his on-the-job experience helped him to get a very good job when he graduated. He's shown an amazing amount of responsibility, but his mother stood by him, his school stood by him, and he had an employer who stood by him.

So no matter how heroic individuals are, they still need help to make it, and support. Chances of success increase dramatically when other people believe in you, give you opportunities, and ask you to take the responsibility to make the most of them. And I want to thank every person here today who made it possible for these young people to be up on this stage and to have the kind of life they're going to have.

I also want to say that this administration is working hard to open the doors of college education to all young people, to make it possible for them to get loans to go to college and to pay them back on much more favorable terms than has been the case in the past. And we are trying to pass, with strong bipartisan support, a national service program which will make it possible for tens of thousands of young people to earn credit against those loans before, during, or after their college years by giving something back to their communities where they live. Vice President Gore has just returned from California where he kicked off our Summer of Service program, which is the beginning of this national service effort.

I know that a lot of you have been involved in service programs. I want to recognize one of the scholars, MarLeice Hyde, from Valley High School in Afton, Wyoming. Where are you? I want to tell you about her. She organized the junior volunteer program at her local hospital, which contributed over 1,000 hours of community service at the hospital, while holding two jobs, attending evening college courses, and meeting the responsibilities that come from being the oldest of six children. Let's give her a hand. [*Applause*] Congratulations.

Finally, let me say a word about our educators. We often spend our time talking about what's wrong with our educational system, but we ought to also acknowledge that there is a great deal that is right with it. And a lot of these young people today might not be here were it not for their teachers, their principals, the people who worked with them and believed in them. We think that the educators of America who are trying to do a good job shouldn't have to go it alone and should have some way of knowing whether they're meeting the competition around the globe. That's why Secretary Riley has worked so hard with his Goals 2000 program and with the legislation now moving through Congress to embrace world-class learning standards that all American schools will be given the opportunity to meet and that all American parents and students can judge their own progress by. I am very encouraged by that work and very grateful for the cooperative spirit that we see now in Washington between everybody involved in the educational endeavor. We think that Goals 2000 will turn a nation at risk into a nation on the move in education.

Let me say in closing that I've thought a great deal about education this summer because I just celebrated under this same tent a couple of weeks ago my 25th college reunion. I saw some of my classmates: One of them runs a refugee center for Palestinians in Jordan; one came all the way back from Cambodia where he had his life at risk monitoring the elections in that troubled country where once so many people were killed by tyranny. Many of them have made incredibly valuable contributions to their lives. And all of us were sitting here 25 years later in this very spot remembering with incredible vividness actual specific things our teachers had said to us in class. We had a contest to remember how many verbatim sentences we could remember from different professors we had. And every one of us concluded at the end that none of our lives would have been possible if we hadn't had the benefit of a world-class education.

I hope this Presidential scholarship brings to all of you on this stage those kinds of memories 25 years from now. I hope you will do everything you can to make the most of the opportunities before you. And I hope you will take some time along the way to enrich the communities from which you came and the people who made it possible for you to be here today.

Thank you all. Congratulations, and God bless you.

NOTE: The President spoke at 4:42 p.m. on the South Lawn at the White House.

Memorandum on Delegation of the Reporting Function for Federal Energy Activities

June 23, 1993

Memorandum for the Secretary of Energy

Subject: Delegation of Reporting Function

By virtue of the authority vested in me by the Constitution and the laws of the United States, including section 301 of title 3 of the United States Code, I hereby delegate to you the authority to transmit to the Congress the annual report describing the activities of the Federal Government as required by subtitle H, title V of the Energy Security Act (Public Law 96–294; 42 U.S.C. 8286, *et seq.*).

You are authorized and directed to publish this memorandum in the *Federal Register*.

William J. Clinton

[Filed with the Office of the Federal Register, 3 p.m., June 24, 1993]

NOTE: This memorandum was published in the *Federal Register* on June 28.

Announcement of Twenty-Six Senior Executive Service Appointments

June 23, 1993

The President today announced the appointment of a total of 26 Senior Executive Service officials at Departments and Agencies across the Government.

"We are continuing to move forward with the process of filling all of the positions in the Federal Government," said the President. "I continue to be pleased with the excellence of our appointees, the work that is being done across the Government, and the diversity of the administration we are putting together."

The appointees, who do not need to be confirmed by the Senate, are:

Agency for International Development

Jill Buckley, Director, Office of External Affairs

Department of Commerce

Jill Schuker, Director, Office of Public Affairs

Ellis Mottur, Deputy Assistant Secretary for Technology and Aerospace in Trade Development

Barry Carter, Deputy Under Secretary for Export Administration

Rita Hayes, Deputy Assistant Secretary for Textiles, Apparel and Consumer Goods

Paul London, Deputy Under Secretary for Economics and Statistics

Meredith Jones, General Counsel, National Oceanic and Atmospheric Administration

Department of Defense

Molly Williamson, Deputy Assistant Secretary for Near-East and South-East Asian Affairs

Pat Irvin, Deputy Assistant Secretary for Humanitarian Assistance and Refugee Affairs

Stanley Roth, Deputy Assistant Secretary for East Asian and Pacific Affairs

Jane Mathias, Deputy Director, Office of Legislative Affairs

Gloria Duffy, Deputy Assistant Secretary and Office of the Secretary of Defense Special Coordinator for Cooperative Threat Reduction and Secretary of Defense Representative and Deputy Head to the Safety, Security and Dismantlement Talks

Sarah Sewall, Deputy Assistant Secretary for Peacekeeping/Peacemaking Policy

Brian Sheridan, Deputy Assistant Secretary for Drug Enforcement Policy and Support

Maj. Gen. James Klugh (Ret.), Deputy Under Secretary for Logistics

Louis Finch, Principal Deputy Assistant Secretary for Strategy, Requirements and Resources

Department of Energy

Jack Riggs, Principal Deputy Assistant Secretary for Policy, Planning and Evaluation

Louis Gicale, Deputy General Counsel for Programs

Department of Health and Human Services

John Monahan, Director of Intergovernmental Affairs

Portia Mittleman, Deputy Assistant Secretary for Aging

Melissa Skofield, Deputy Assistant Secretary for Public Affairs, Policy and Communications

Department of the Interior

Debra Knopman, Deputy Assistant Secretary for Water and Science

National Aeronautics and Space Administration

Jeffrey Lawrence, Assistant Administrator for Legislative Affairs

Department of Transportation

Mark Gerchick, Chief Counsel, Federal Aviation Administration

Department of Veterans Affairs

Dale Renaud, Deputy Assistant Secretary for Intergovernmental Affairs

Edward Chow, Deputy Assistant Secretary

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

Remarks to the National Association of Police Organizations and an Exchange With Reporters

June 24, 1993

The President. First, let me welcome you here. And this is our replay from the time we got weathered-out in March. And I'm glad you could all come back. I want to thank you for the work you do and for the support that you gave to me last year when I was attempting to become President and for the support you have given so many of our initiatives in the last 5 months.

I have been busily at work for the last several days working with the United States Senate in our attempt to pass our economic plan, which will reduce the national deficit by $500 billion and provide some significant incentives to turn this economy around, including keeping interest rates down, which is critical to our future. We've had a dramatic increase in the number of ordinary Americans, I imagine including some people in this room, who have, for example, refinanced their homes in the last 5 or 6 months, because we've got interest rates at a 20-year low, 130,000 new construction jobs in the economy, 755,000 jobs overall. It is critical that we pass this. And that's what we're primarily involved in today, as I'm sure you understand.

I also asked the Congress to adopt a modified bill for making a down payment on our investment package, which they did, which included, as I'm sure you know, some $200 million for communities to hire police officers. That is a down payment on the campaign commitment I made to empower our communities to hire another 100,000 police officers over the next 4 years, to go to more community policing, to provide for safer streets, and to support you in the work you're doing.

I also want to tell you that the Attorney General and I have been working hard for the last several weeks with interested Members of Congress to bring up a crime bill this year. Sadly, it did not pass last year, for all kinds of reasons. That crime bill is still to be finally defined, but I can assure you it will include the Brady bill; it will include a provision for boot camps as alternative punishment for first-time nonviolent offenders; it will include a continuing effort to hire more police officers on our streets and to expand community policing. I welcome the ideas, the expertise, and the advice of all of you in putting this bill together and in pushing it through the Congress. It will be a high priority for the administration, and I expect it to begin soon.

We can't really revive the whole fabric of our economy until we put the society back together in the places where it's broken. One of the things that we're attempting to do in this economic bill is to finally test the proposition of whether the private sector can revitalize the most distressed areas of our big cities or our small towns and rural areas with an empowerment zone concept that would offer real big incentives for people to go into a lot of the meanest streets in this country and invest their money to put people to work,

to start businesses, to try to make those places come alive again in positive ways.

We also, as all of you know, are committed to doing the things that we've been talking about. I think it's worth just closing with the thought that there are a lot of people in this country who are genuinely insecure today. That shooting at the swimming pool here in Washington, DC, that I'm sure all of you read about, is a horrible example of the kind of mindless behavior that is ripping at the fabric of society. And now I think of how many children are afraid to go back to the pool, a place where wholesome recreation will occur, a place where kids can stay out of trouble and in water in the summertime; how many of their parents might be afraid for them to go back.

That is the sort of thing that I hope we can keep in the minds of our policymakers as we deal with the crime bill and deal with these other issues. And I assure you that I welcome your input into all of them.

I think I'd like to close just by saying a special word of appreciation to the Justice Department and the FBI, to the United States Attorney, and to the New York City Police Department for the work that they have done in making the arrests that broke up a terrorist gang in New York. It was a very impressive piece of work and a real tribute to the local folks and to the cooperation that the Federal Government and the local people had. And I thank them for that, and thank you.

Now, the Attorney General and I are here. We're going to answer your questions. But first we're going to answer a few from the press.

Terrorism

Q. Mr. President, can I follow up——

Q. To follow up on that, do you support a Federal law for the death penalty for terrorists? And can you tell us how and exactly when you found out about this plot?

The President. First of all, I support the crime bill. I supported the crime bill last year which expanded the death penalty in many different areas. And as you know, I have a longstanding support for capital punishment.

But let me answer the specific thing. I was briefed about this operation at about the time it was occurring, a little before. I knew that they had been working on it. But all the credit for this goes to the FBI and the local people. They did the work. They've been working on this for some weeks now, and I don't think I should say more about it. The Justice Department will have more to say at an appropriate time.

Q. Can you say whether you believe that everyone has been arrested who was involved in this? And have you had any communication, do you plan to have any communication with President Mubarak or any of the other possible victims?

The President. I have not yet had any communications with any of the people that were on the list. I think any questions about the nature of the conspiracy and the group should be answered by the law enforcement officials, not by me.

Senate Budget Vote

Q. Mr. President, do you have the votes yet in the Senate for your budget to pass at this time, now?

The President. I certainly hope so.

Q. Well, I ask the question because your spokesman said earlier that you didn't have them but that you expected to by the end of the day. Do you have them now?

The President. Who did? Who said that earlier?

Q. Dee Dee said that—that you didn't have them this morning, but you expected to have them by the end of the day. Do you have them now?

The President. Senator Mitchell is my ultimate authority on that. We're working our way through these amendments now, and we just had, as I understand it, Senators Harkin, Metzenbaum, and Wellstone just announced their support for the package, pursuant to an agreement to reduce the size of the Medicaid cuts. There are still about $10 billion Medicaid cuts over and above what the House put in, which was about $50 billion.

So that will help, and that puts us three votes closer. And I just don't—I can't say for sure. We're going to have a whole series of amendments which go through today. And then at the end of the day we may find ourselves in a position where some Members want some things which can only come out

of the conference, and they may have to just decide whether to let the bill go to conference or not. The House Members had to make the same sort of decision. But I'm hopeful. That's all I can tell you. I'm hopeful. We're working hard, and I'm hopeful.

Q. Does that bring it under $500 billion, sir?

The President. No. Not to my knowledge. The last time I saw it, it didn't, Andrea [Andrea Mitchell, NBC News]. Now, I haven't seen the exact details of the last—the last time I heard about it, about an hour and a half ago, it did not.

Q. What kind of momentum do you want from this vote, and do you see this as a real turning point for your Presidency?

The President. There have been a lot of those lately. [*Laughter*] The vote in the House was, and this will be. We have to go on to conference. If it passes today, this will be a very loud statement. It will say that both Houses of the Congress are committed to the largest deficit reduction program in history, to putting the taxes and the spending cuts in a trust fund, to spending cuts equal to and now greater than the tax increases, and to an extremely progressive program where those who can, best able to pay, are asked to pay. The Senate Finance Committee bill, according to the Congressional Budget Office, distributes 78 percent of the burden to people with incomes above $200,000 whose taxes were lowered in the 1980's while their incomes went up.

So I think that this is a very, you know, it's a very important vote, and I hope we can prevail. But I never count my chickens before they're hatched.

Thank you.

Q. Are you counting any Republicans? Any Republicans, Hatfield or Jeffords?

The President. I've asked; that's all I know.

Q. Did you ask in phone calls?

Q. Mr. President, is the final arrangement on gays in the military going to require them to stay in the closet, sir?

The President. 'Bye, everybody; no more questions. I have to answer their questions.

Thank you.

NOTE: The President spoke at 1:43 p.m. in the Indian Treaty Room of the Old Executive Office Building.

Exchange With Reporters Prior to a Meeting With the Arkansas Rollin' Razorbacks Wheelchair Athletes

June 24, 1993

Economic Program

Q. Mr. President, surrounded by all these winners, do you think you can be a winner tonight?

The President. Well, I hope so.

Q. What is your latest assessment?

The President. I feel just the way I did before the House vote. I'm just working. I'm working. We're picking up a few and——

Q. Have you called any Republicans?

The President. I think I should answer that question after the vote tonight.

Q. We don't want to blow their cover.

The President. I think I should answer that question——

Q. Mr. President, in retrospect, do you wish you had reached out more to Republicans early on? Some moderates say they'd be on board if you had.

The President. I don't know. I did call a number of them. And I tried to—after Senator Boren and Senator Danforth announced their little coalition—I don't mean little, I mean their coalition—I also reached out to some Republicans then. And I continue to reach out to some Republicans in the House. It's just rare in these first tough budget votes to get any votes from the other party. And I hope that this will never happen again. I hope that it won't ever happen again.

But you have to understand, we're also trying to reverse 12 years of, basically, people being told the easy thing and letting the country just sort of slowly grind downhill. And we're trying to change it. And these changes are never easy. I never thought they'd be easy. I'm hopeful for tonight.

Q. What would be—in the conference committee, sir?

The President. I'll be glad to answer that question after we see if we're going to have a conference. First, we have to prevail to-

night. Let's try to make sure we win tonight, and then we'll be able to——

Q. Are you—[*inaudible*]

The President. I'm only concerned until there's a vote. We're working hard. I think we'll prevail, but let's wait and see what happens.

NOTE: The exchange began at 5:40 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Remarks Honoring Academic Decathlon Winners and an Exchange With Reporters

June 24, 1993

The President. I hope you enjoyed your tour of the White House. And I'm sorry we had to start a little late, but as I'm sure you know, a very important debate is now occurring in the United States Senate on the administration's economic plan, and I had to make a call or two.

Congressman Beilenson, it's good to see you. I bet you're glad you're not involved in that this afternoon and glad to be here with your folks.

It's a real honor for me to welcome to the White House a group of true student athletes: the gold, silver, and bronze medal-winning teams in the 1992–93 United States Academic Decathlon. The gold medalists are from Plano East High School of Plano, Texas; the silver medalists from Taft High of Los Angeles; the bronze medal winners of Mountain View High School of Mesa, Arizona.

These students have experienced the excitement of competition and the thrill of victory. And they should be a source of pride for young people all across our country. They've competed for medals in 10 different events, from math and science to language and literature, in an innovative and inclusive program which fosters competition, enhances self-image, and shows how truly exciting the pursuit of knowledge can be.

As I understand it, the team members also are required to give speeches, both prepared and impromptu—that's a good preparation for being President—write essays and experience interviews. These young people are equipped not with javelins or shotputs but with intellect and knowledge and the ability to think creatively but with discipline.

The importance of this kind of pursuit of educational excellence cannot be overemphasized. We're at a moment in our history when we have to increase the educational ability of all Americans and in which it is not simply important how much our people know but what they are capable of learning and how quickly and well they are capable of thinking through complex problems that may face them tomorrow but are even unpredictable today. Because of these kinds of challenges, we cannot meet our educational excellence goals through Government mandates. We have to meet them through incentives and through environments which promote excellence and leadership from teachers and principals, the kind of group work that we see in this academic decathlon.

I applaud the academic decathlon, its president, John Foley, and its executive director, Ann Joynt. At this time, I want to say a special word of congratulations to the national champions, Plano Senior High School from Plano, Texas—Plano East. They're right behind me, right? In the center. When I was in high school, Plano had a great high school band. Do you still have a good band? It won a lot of national awards. Of course, that was back in the dark ages, but anyway. Under the coaching of Joyce Gillam and Jack Worsham, Plano East amassed the highest total score, capturing seven gold and five silver medals. One particular youngster, Sunny Chu, deserves special mention. Sunny's father suffered a severe stroke just days before the national competition. Nonetheless, Sunny still managed to win the gold medal for highest overall score in the Nation. And I'm pleased to report that Sunny's dad is back home recovering. Congratulations to you. Let's give him a hand. [*Applause*]

Now, the group from Taft High in Los Angeles. That's you, right? Coached by Michael Wilson, Taft High pulled in seven gold and six silver medals. Mara Weiss achieved the second highest total score in the Nation, earning a gold medal in the essay event and

a bronze in fine arts. In fact, I understand Mara recently wrote to my wife expressing her frustration that intellectual pursuits in high school are still seen as the domain of the male student. Mara, where are you? Did you really do that?

Ms. Weiss. Yes, I did.

The President. Good for you. I'll hear more about that as time goes on. [*Laughter*] Let me say that I think that is a real problem. And there is actual documented evidence of that, particularly in the math and sciences areas, as young people move out of grade school into junior high and high school. And you deserve a lot of credit for pointing it out. Just a few days ago in the Rose Garden, however, I appointed another distinguished student and scholar, Judge Ruth Ginsburg, to the Supreme Court. I think those kinds of things should do something to shatter the myth that intellectual pursuits should remain the exclusive domain of men. And I'm sure you'll have a lot to do with that as you go through your life.

I want to congratulate, finally, the Mountain View High School team from Mesa, Arizona. They're here to my left. Under the watchful eye of coach Mary McGovern, Mountain View netted four gold and seven silver medals. Senior Tagg Grant amassed the highest individual point total for his team with the best event being economics. Where are you, Tagg? I order you to stay here for the next 2 or 3 months. [*Laughter*] This country needs your help.

I understand that the scholarships are awarded to the top three overall medal winners in each of three divisions. It just so happens that eight of those nine scholarship winners are on these three teams. But we've indicted the ninth scholarship winner to be with us today as well. He's Dan Casey, from Lower Merion High School in Bala Cynwyd, Pennsylvania. Where are you, Dan? Welcome. I'm glad they took you in over there. I looked up there and counted; I thought they had an unfair advantage. [*Laughter*] Dan took the silver medal for the second highest point total in the varsity division.

Each of these young people represents our best future, our best hopes. They have proven how much people can do when they put their minds to it, and I am very proud of them.

I'd like now to invite John Foley to say a few words, and then I'd like to have some pictures taken with the teams and say hello to them. But first, Mr. Foley, thank you for your work, and come up and have a platform.

[*At this point, Mr. Foley thanked the President and explained the history of the program.*]

The President. Thank you.

Super Collider

Q. Mr. President, the House has voted to kill the super collider program. Do you have any reaction, sir?

The President. They did last year. Maybe the Senate will save it, and we can save it in conference. I'm not surprised. You know, I'm grateful to them for saving the space station. That was headed for defeat, and we did a lot of work on it, and I'm glad we were able to save it. I always anticipated that if we were going to save the super collider, it would have to come in a conference after the Senate did it. So it's really up to the Senate now to decide on the super collider.

NOTE: The President spoke at 5:33 p.m. in the Rose Garden at the White House.

Statement on Credit Availability

June 24, 1993

Today's announcement by the FDIC is another tangible benefit brought on by the progress of our deficit reduction plan and the lower interest rates it has produced. Fewer bank failures means more and cheaper bank loans to America's businesses and communities. It means billions of dollars more for new jobs, new businesses, and helping families buy new homes. It shows once again how critically important it is for Congress to lock in the benefits of lower interest rates and deficit reduction by approving the Clinton economic plan.

Nomination for Ambassador to Mongolia

June 24, 1993

The President today announced his intention to nominate Donald Johnson, a career member of the Foreign Service, to be Ambassador to Mongolia.

"Donald Johnson has served our country with distinction for almost two decades in the Foreign Service," said the President. "I am pleased that he will be taking this ambassadorial post."

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

Statement on Senate Action on the Economic Program

June 25, 1993

Tonight the Senate voted for growth over gridlock by passing our plan to cut deficit spending by $500 billion and lock the savings in a deficit reduction trust fund. By rejecting both the trickle-down economics of the 1980's and the tax-and-spend policies of the past, the Senate sent a strong signal to middle class Americans that Washington can work to create jobs, increase incomes, and spur economic growth.

When this debate began, I challenged the Senate to pass a plan that met these principles: It had to reduce the deficit by $500 billion; it had to be balanced between spending cuts and taxes; 75 percent of those taxes had to be paid by the wealthiest 6 percent of the American people; and it had to encourage the creation of jobs and the movement of people from welfare to work. The Senate met these challenges, and that's why this vote is a victory for the American people.

I want to congratulate Senators Mitchell, Sasser, and Moynihan for their leadership, their colleagues for their courage, and the American people for demanding that the deficit come down through tough spending cuts and a tax code that asks the most from the people who have the most.

In a matter of days, I will be traveling to Japan to represent the interests of the United States in a summit with our economic competitors. Because we are acting to put our house in order, America will go to that meeting for the first time in years in a strong position to lead the world toward growth.

Remarks on the Appointment of Kristine M. Gebbie as AIDS Policy Coordinator and an Exchange With Reporters

June 25, 1993

The President. Good morning. Thank you very much. First, let me welcome Speaker of the House and other distinguished Members of the House of Representatives here. I appreciate their coming. I understand they were able to get a little more sleep than the Senators were last night. I also want to welcome all the rest of you here.

Before I make the announcement that we're all here to witness and to be a part of, I do want to say a word about the vote that was cast early this morning in the United States Senate to pass a version of the economic plan which I presented to them, which, to be sure, was changed to some extent from the House plan but still reflected, I think, a remarkable degree of courage: $500 billion in deficit reduction in the Senate plan, over 78 percent of the new revenues coming from people with incomes above $200,000, real commitment to significant budget cuts that were slightly greater than the ones in the House plan, and now clearly more budget cuts than tax increases.

The most important thing is that now both Houses of Congress, under very difficult circumstances, with the same old rhetoric of the last 12 years flying at them, had the courage to try to change this country for the better. What this means is incalculable. It means we can now move on to a conference committee with a clear signal to the financial markets that its interest rates should stay down and people should be able to continue to refinance their homes and finance their businesses at lower interest rates and that for the first time in a very long time an American President can go to a meeting of the G–7 nations in a position of economic strength,

trying to lead a renewal of growth and opportunity all over the world.

So I very much appreciate that. I want to compliment Senator Mitchell, Senator Sasser, Senator Moynihan, in particular, for their leadership and the courage of the Senators who voted in the way they did, so that we can go forward.

One of the things that was in this budget that has received almost no notice is a real commitment to intensifying our efforts to deal with the AIDS crisis, even in the midst of all the budget cutbacks. One of those important efforts is the naming of a new AIDS coordinator with a higher visibility, a more important policy role, and more influence in the National Government than has been the case in the past.

It is my distinct pleasure today to announce the appointment of Kristine Gebbie as our Nation's first AIDS Policy Coordinator. This position has never existed before, but circumstances now require us to look for unprecedented remedies to an unprecedented problem.

Today, as we toil against one of the most dreaded and mysterious diseases humanity has ever known, we must redouble our Government's efforts to promote research, funding, and treatment for AIDS. The appointment of Kristine Gebbie is part of our pledge to do that. She is a proven health care leader who will bring to the administration years of experience in the AIDS field. I'm confident she'll work hard to ensure that our Nation no longer ignores an epidemic that has already claimed too many of our brothers and sisters, our parents and children, our friends and colleagues.

I'm particularly pleased that Kristine Gebbie is so committed to helping our AIDS effort, for she certainly is no stranger to the field. To begin with, she hails from the Pacific Northwest, one of our country's most progressive regions when it comes to health care. A former nurse, she became the administrator of the Oregon health division, a position she held for 11 years, and later served as the secretary of the Washington State department of health. Currently she serves as a special consultant to the Department of Health and Human Services. She's also spent a lot of her time and energy on AIDS prevention. Since 1989, she's served as chair of the Centers for Disease Control Advisory Committee on the Prevention of HIV Infection. She served on the Presidential Commission on AIDS. She was for 3 years a member of the National Academy of Sciences AIDS oversight committee, and she was chair of an HIV committee of State health officials around the United States.

AIDS is terrifying. It inflicts tragedy on too many families. But ultimately, it is a disease, one we can defeat just as we have defeated polio, many forms of cancer, and other scourges in the history of our Nation. How can we do it? With commitment and courage and constancy, and with vocal and responsible leadership from our Nation's Government. Already this administration has requested a large increase in funding for AIDS research and prevention, even in the face of our severe budget cutbacks. We are now moving toward full funding of the Ryan White Comprehensive AIDS Resources Emergency Act. Our budget requested in fiscal 1994 a 78 percent increase in funding for Ryan White, an 18 percent increase for AIDS research, and a 27 percent increase for prevention.

In addition, the upcoming health care reform plan will make sure that AIDS sufferers are not victimized by unfair insurance policies when they seek treatment for their illnesses. AIDS touches all of us, and no single group should be discriminated against on the basis of this disease.

To make Government's role in AIDS more efficient, we're also taking steps to coordinate AIDS policy. On June 10th, I signed into law the National Institutes of Health Revitalization Act that establishes an AIDS research office to coordinate all the AIDS research at NIH. By now appointing an AIDS Policy Coordinator, we will ensure that one person in the White House oversees and unifies Governmentwide AIDS efforts.

Kristine Gebbie will be a full member of the Domestic Policy Council and will work closely with the Department of Health and Human Services—and I'm glad to see Secretary Shalala here today. She has my full support in coordinating policy among all the various executive branch departments.

With the dedication and leadership that she has shown and that she will bring to this effort, I believe we will be able to wage the battle against AIDS with complete resolve. I look forward to working with her as we tackle the challenges that are posed to us. I assure you this is another step in the beginning of our effort, not the end of my personal commitment. This will guarantee the kind of focus this effort has long needed.

Ms. Gebbie.

[*At this point, Ms. Gebbie expressed her appreciation to the President and gave her perspective on a coordinated approach to AIDS.*]

The President. Let me also say before we take a question or two, to Mr. Speaker and to Congressmen Studds and Frank and McDermott and Pelosi and Morella and to all the other Members of the Congress who have been willing to support increased efforts for AIDS in the face of these difficult budgetary times, I'm grateful for them, too. Because without the congressional support, we would not be able to make any progress, in my judgment, even with this heightened administrative effort.

Gays in the Military

Q. Mr. President, as you approach your decision on gays in the military, have you reached a conclusion about the directive that says that homosexuality is incompatible with military service? Have you decided——

The President. I have not received any such directive. And until I receive a report from the Pentagon, I have no further comment on this.

Q. Can I just ask you a broader question, then, about this?

The President. I'm not going to discuss it until I receive the report from the Pentagon. I have nothing else to say now.

AIDS

Q. Mr. President, I have a question for Ms. Gebbie, please. During the time that you served in Washington and Oregon on dealing with the AIDS epidemic, what will you bring to this job that you learned there?

Ms. Gebbie. I think one of the biggest things I learned is that people have to be able to hear each other, not just talk to each other but hear each other, and then put that listening into effect, developing policies that work. That's a bit of a global answer, but it really has to be applied to each piece of this puzzle. And it's putting a puzzle together that's developing policy around this disease.

Terrorism

Q. Mr. President, yesterday when the news broke of the terrorist attempts at bombing various points in New York City, a lot of Americans felt an increased sense of vulnerability. I wonder if you would share with us your thoughts when you learned about it, and do you share that increased sense of vulnerability to terrorism in this country?

The President. Any free society has always some exposure to terrorism. I think what the American people should do, though, is to feel an enormous sense of pride in the aggressive work done by the New York Police Department and all the Federal authorities involved in New York. We are working aggressively on this issue. We will continue to work on it in a very tough way, and we will put whatever resources the United States has to put in to combating it.

I think one of the problems that has plagued much of the world in the 1980's is random acts of terrorism. And there is always the possibility with increasing political instability in various places of increased terrorism. But I can tell you that I view the action in New York as reassuring. And all I can tell you is that we're going to do our best to be as tough, as intolerant, as effective in dealing with these kinds of problems consistently as the local and the Federal authorities were in New York.

Economic Program

Q. Mr. President, now that the Senate has voted, can you tell us where you come down on the differences between the House and Senate bills in terms of the gasoline versus Btu tax, in terms of the level of Medicare funding, and the other differences in the bills? And can you tell us, did you win a political victory at the possible expense of your program, in making so many deals that it's just complicated the process of getting things through conference?

The President. Actually, this administration didn't make any deals. The Senate Finance Committee put together a bill that it

could get out of the Senate Finance Committee. And then the question was very much whether we would go on to conference. I think there was a great sense in the Senate that they had to go forward with the bill. There were many Senators who told me they liked the House bill better. I mean, there were divisions even in the Senate. There were a couple of Senators who indicated they would have voted for the House bill who did not vote for the Senate bill. There was all kinds of difference of opinion.

I think what happened was there was an institutional feeling there yesterday, which crystallized in the late afternoon, that the worst thing they could do is not to go forward, and that the worst thing they could do is not to break the gridlock, not to find a way to continue to push for real economic reform. And all this happened rather late last evening, and no decisions have been made. I haven't even had an ample opportunity to analyze whatever amendments were made yesterday. But this administration was not nearly as involved in the details of what came out of the Senate as was the case in the House.

I am confident that the conferees will get together, will produce a bill that in some ways is superior to both bills and will have a broader support. That's what I think will happen.

Q. Gas tax, sir?

Q. On the budget, assuming that you want the final bill to resemble your own plan as much as possible, what is your response to Senator Moynihan's observation recently when he said that he felt that directing one-third of all tax increases and spending cuts to investment would be perhaps too excessive?

The President. Well, we'll see. A lot of the Senators who came on to the bill late yesterday were holding out because the investment incentives have been cut back so much by the committee. One of the biggest hurdles was trying to convince some of the Senators that we might increase the investment incentives in the conference. So I can tell you that will be a point of continuing tension. But I expect there will be some real effort to try to get the investment and growth options back in there.

Keep in mind, reducing the deficit helps you by bringing down interest rates. But still in the end if you want to grow the economy, somebody has to invest money and create jobs and put people to work. If the unemployment rate in this country were 4 percent instead of 7 percent, we'd have far fewer problems than we do. And the stagnation worldwide of economic activity, which has been going on for some time now, is holding this country back and requires this country to make extraordinary efforts if we're going to swim against the tide and try to grow more than other nations to increase incentives to invest and create jobs and to grow this economy.

If you take investment out of part of the country as, for example, you see in California with the big cutbacks in defense, there needs to be some offsetting investment. You can't create jobs out of thin air. So I think we want to see in this economic plan two objectives: really tough deficit reduction, keeping the interest rates down, freeing up money for private sector investment, and increasing incentives by the National Government to get more investment in the economy. And I hope we see it.

Iraq

Q. Mr. President, there seems to be another standoff in Baghdad between U.N. weapons inspectors and the Iraqi Government. This is the first time this has happened on your watch. How serious is this standoff? And what, if anything, do you plan on doing about it?

The President. It's quite serious. And the United Nations—you've already heard the U.N. speak to it, and I would expect that the matter will have to be resolved one way or the other in the fairly near future. I do think that—I don't have much to add to the pronouncements that have come out of the U.N. The United States has to continue to support compliance with the U.N. resolutions as they apply to Iraq.

G–7 Summit

Q. Mr. President, you said that this is the first time that we're going to the economic summit in a position of economic strength. Another way to view that is that you had a tie vote in the Senate; that you're caught

going into conference between the demands for more social spending, more investment, and those who want more cuts; and that there's no margin for error, which is not a very strong signal of the ability to resolve this and to get anything that will pass finally both Houses——

The President. I don't think any of the people who have looked at this really believe that we won't get a bill out of the conference that will be marginally changed in ways from both the House and Senate bills that will make the bill more passable in the Senate as well as the House. For example, the House wanted basically the incentive package that was there but some less tax and some more spending cuts. That came out of the Senate. The Senate obliged the less tax and more spending cuts but did it at the expense of cutting so much of the investments out, because the energy tax had to be reduced as much as it did, not for the floor of the Senate but to get it out of the Senate Finance Committee.

Now, what will happen now is you'll see a negotiation, and they'll try to bridge those gaps. I don't think they are particularly large. I think it's quite encouraging. And if you look at the level of aggression this country has displayed in trying to do something about its economic circumstances as compared with what is going on in these other nations, the political and the economic problems, I think the United States should be very proud. It is not easy to change.

I mean, we've been on an incredible roller coaster ride for 12 years now, just sort of spending more than we're taking in and living by political rhetoric and hot air. And when you try to change, it's not easy. You know, it's the same—my daughter always says when she is gigging me a little that old line about denial being more than a river in Egypt. I mean, you know, it's not easy to change.

Thank you very much.

NOTE: The President spoke at 8:43 a.m. on the South Lawn at the White House.

Proclamation 6575—To Modify Duty-Free Treatment Under the Generalized System of Preferences and for Other Purposes

June 25, 1993

By the President of the United States of America

A Proclamation

1. Pursuant to title V of the Trade Act of 1974, as amended ("1974 Act") (19 U.S.C. 2461 *et seq.*), the President may designate specified articles provided for in the Harmonized Tariff Schedule of the United States ("HTS") as eligible for preferential tariff treatment under the Generalized System of Preferences ("GSP") when imported from designated beneficiary developing countries.

2. Pursuant to section 504(c) of the 1974 Act (19 U.S.C. 2464(c)), beneficiary developing countries, except those designated as least-developed beneficiary developing countries pursuant to section 504(c)(6) of the 1974 Act, are subject to limitations on the preferential treatment afforded under the GSP. Pursuant to section 504(c)(5) of the 1974 Act, a country that is no longer treated as a beneficiary developing country with respect to an eligible article may be redesignated as a beneficiary developing country with respect to such article if imports of such article from such country did not exceed the limitations in section 504(c)(1) (after application of paragraph (c)(2)) during the preceding calendar year. Pursuant to section 504(d)(1) of the 1974 Act (19 U.S.C. 2464(d)(1)), section 504(c)(1)(B) of the 1974 Act shall not apply with respect to any eligible article if a like or directly competitive article is not produced in the United States on January 3, 1985. Further, pursuant to section 504(d)(2) of the 1974 Act (19 U.S.C. 2464(d)(2)), the President may disregard the limitations provided in section 504(c)(1)(B) with respect to any eligible article if the appraised value of the total imports of such article into the United States during the preceding calendar year is not in excess of an amount that bears the same ratio to $5,000,000 as the gross national product of the United States for that calendar year (as

determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1979.

3. Section 502(b)(7) of the 1974 Act (19 U.S.C. 2462(b)(7)) provides that a country that has not taken or is not taking steps to afford internationally recognized worker rights, as defined in section 502(a)(4) of the 1974 Act (19 U.S.C. 2462(a)(4)), is ineligible for designation as a beneficiary developing country for purposes of the GSP. Pursuant to section 504 of the 1974 Act, the President may withdraw, suspend, or limit the application of duty-free treatment under the GSP with respect to any article or with respect to any country upon consideration of the factors set forth in sections 501 and 502(c) of the 1974 Act (19 U.S.C. 2461 and 2462(c)).

4. Pursuant to sections 501, 503(a), and 504(a) of the 1974 Act (19 U.S.C. 2461, 2463(a), and 2464(a)), in order to subdivide and amend the nomenclature of existing provisions of the HTS to modify the GSP, I have determined, after taking into account information and advice received under section 503(a), that the HTS should be modified to adjust the original designation of eligible articles. In addition, pursuant to title V of the 1974 Act, I have determined that it is appropriate to designate specified articles provided for in the HTS as eligible for preferential tariff treatment under the GSP when imported from designated beneficiary developing countries, and that such treatment for other articles should be terminated. I have also determined, pursuant to sections 504(a), (c)(1), and (c)(2) of the 1974 Act, that certain beneficiary countries should no longer receive preferential tariff treatment under the GSP with respect to certain eligible articles. Further, I have determined, pursuant to section 504(c)(5) of the 1974 Act, that certain countries should be redesignated as beneficiary developing countries with respect to certain eligible articles. These countries have been previously excluded from benefits of the GSP with respect to such eligible articles pursuant to section 504(c)(1) of the 1974 Act. Further, pursuant to section 504(d)(1) of the 1974 Act (19 U.S.C. 2464(d)(1)), I have determined that the limitation provided for in section 504(c)(1)(B) of the 1974 Act (19 U.S.C. 2464(c)(1)(B)) should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985. Last, I have determined that section 504(c)(1)(B) of the 1974 Act should not apply with respect to certain eligible articles pursuant to section 504(d)(2) of the 1974 Act.

5. Pursuant to sections 502(b)(7), 502(c)(7), and 504 of the 1974 Act (19 U.S.C. 2462(b)(7), 2462(c)(7), and 2464), I have determined that it is appropriate to provide for the suspension of preferential treatment under the GSP for articles that are currently eligible for such treatment and that are imported from Mauritania. Such suspension is the result of my determination that Mauritania has not taken and is not taking steps to afford internationally recognized worker rights, as defined in section 502(a)(4) of the 1974 Act (19 U.S.C. 2462(a)(4)).

6. Pursuant to sections 501 and 502 of the 1974 Act (19 U.S.C. 2461 and 2462), and having due regard for the eligibility criteria set forth therein, I have determined that it is appropriate to designate Albania as a beneficiary developing country for purposes of the GSP.

7. Proclamation 6517 of December 23, 1992, withdrew the duty-free treatment accorded under the GSP, pursuant to title V of the 1974 Trade Act, to imports of sulfanilic acid, provided for in HTS subheading 2921.42.24. Proclamation 6544 of April 13, 1993, made further modifications in the HTS provisions for such goods. Through technical error, the HTS provisions created in the annexes to such proclamations were not properly structured and numbered. Therefore, I have decided that it is necessary and appropriate to modify the HTS to correct these errors.

8. Section 604 of the 1974 Act, as amended (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other Acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

Now, Therefore, I, William J. Clinton, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United

States of America, including but not limited to title V and section 604 of the 1974 Act, do proclaim that:

(1) In order to designate certain articles as eligible articles for purposes of the GSP when imported from designated beneficiary developing countries, the HTS is modified as provided in Annex I to this proclamation.

(2)(a) In order to designate certain articles as eligible articles for purposes of the GSP when imported from any designated beneficiary developing country, the Rates of Duty 1-Special subcolumn for the HTS subheading enumerated in Annex II(a) to this proclamation is modified by inserting in the parentheses the symbol ''A'' as provided in such Annex.

(b) In order to designate certain articles as eligible articles for purposes of the GSP when imported from any designated beneficiary developing country excluding India, the Rates of Duty 1-special subcolumn for the HTS subheading enumerated in Annex II(b) to this proclamation is modified by inserting in the parentheses the symbol ''A*'' as provided in such Annex.

(c) In order to restore preferential tariff treatment under the GSP to a country which has been excluded from the benefits of the GSP for an eligible article, the Rates of Duty 1-Special subcolumn for each of the HTS subheadings enumerated in Annex II(c) to this proclamation is modified: (i) by deleting symbol ''A*'' in parentheses, and (ii) by inserting in such subcolumn the symbol ''A'' in lieu thereof.

(d) In order to provide that one or more countries should no longer be treated as a beneficiary developing country with respect to an eligible article for purposes of the GSP, the Rates of Duty 1-Special subcolumn for each of the HTS provisions enumerated in Annex II(d) to this proclamation is modified: (i) by deleting the symbol ''A'' in parentheses, and (ii) by inserting in such subcolumn the symbol ''A*'' in lieu thereof.

(3) In order to provide for the suspension of preferential treatment under the GSP for Mauritania, to provide for the addition of Albania as a beneficiary developing country under the GSP, to provide that one or more countries that have not been treated as beneficiary developing countries with respect to an eligible article should be redesignated as beneficiary developing countries with respect to such article for purposes of the GSP, and to provide that one or more countries should no longer be treated as beneficiary developing countries with respect to an eligible article for purposes of the GSP, general note 3(c)(ii) to the HTS is modified as provided in Annex III to this proclamation.

(4) In order to ensure the withdrawal of GSP treatment from imports of sulfanilic acid and to correct technical errors in certain HTS provisions, as created in the Annex to Proclamation 6517 and modified in Annex II to Proclamation 6544, such annexes are hereby superseded, and the HTS is modified as set forth in Annex IV to this proclamation.

(5) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(6)(a) The modifications made by Annexes I, II, and III(a) to this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after July 1, 1993.

(b) The modification made by Annex III(b) to this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after 60 days after the date of publication of this proclamation in the *Federal Register*.

(c) The modifications made by Annex IV to this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after January 12, 1993.

In Witness Whereof, I have hereunto set my hand this twenty-fifth 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, 4:53 p.m., June 25, 1993]

NOTE: This proclamation and the attached annexes will be published in the *Federal Register* on June 29.

Letter to Congressional Leaders on Trade With Mauritania

June 25, 1993

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

I am writing concerning the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market for products that are imported from developing countries. It is authorized by title V of the Trade Act of 1974.

Pursuant to title V, I have determined that Mauritania no longer meets the eligibility requirements set forth in the GSP law. In particular, I have determined that it has not taken and is not taking steps to afford internationally recognized worker rights. Accordingly, I intend to suspend Mauritania indefinitely as a designated beneficiary developing country for purposes of the GSP.

This notice is submitted in accordance with section 502(a)(2) of the Trade Act of 1974.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. An original was not available for verification of the content of this letter.

Memorandum on Trade With Mauritania

June 25, 1993

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to sections 502(b)(4), 502(b)(7), 502(c)(5), and 504 of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2462(b)(4), 2462(b)(7), 2462(c)(5), and 2464), I am authorized to make determinations concerning the alleged expropriation without compensation by a beneficiary developing country, to make findings concerning whether steps have been taken or are being taken by certain beneficiary developing countries to afford internationally recognized worker rights to workers in such countries, to take into account in determining the Generalized System of Preferences (GSP) eligibility of a beneficiary developing country the extent to which certain beneficiary developing countries are providing adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights, and to modify the application of duty-free treatment under the GSP currently being afforded to such beneficiary developing countries as a result of my determinations.

Specifically, after considering a private sector request for a review concerning the alleged expropriation by Peru of property owned by a United States person allegedly without prompt, adequate, and effective compensation, without entering into good faith negotiations to provide such compensation or otherwise taking steps to discharge its obligations, and without submitting the expropriation claim to arbitration, I have decided to continue the review of the alleged expropriation by Peru.

Second, after considering various private sector requests for a review of whether or not certain beneficiary developing countries have taken or are taking steps to afford internationally recognized worker rights (as defined in section 502(a)(4) of the 1974 Act (19 U.S.C. 2462(a)(4)) to workers in such countries, and in accordance with section 502(b)(7) of the 1974 Act (19 U.S.C. 2462(b)(7)), I have determined that Panama has taken or is taking steps to afford internationally recognized worker rights, and I have determined that Mauritania has not taken and is not taking steps to afford such internationally recognized rights. Therefore, I am notifying the Congress of my intention to suspend the GSP eligibility of Mauritania. Finally, I have determined to continue to review the status of such worker rights in Bah-

rain, El Salvador, Fiji, Guatemala, Indonesia, Malawi, Oman, and Thailand.

Third, after considering various private sector requests for a review of whether or not certain beneficiary developing countries are providing adequate and effective means under their laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights, I have determined to continue the review of the Dominican Republic, Guatemala, and Honduras.

Fourth, pursuant to section 504(f) of the 1974 Act (19 U.S.C. 2464(f)), I am hereby acting to modify the application of duty-free treatment under the GSP currently being afforded to Israel.

Specifically, I have determined under the provisions of section 504(f) that the per capita gross national product for Israel, calculated on the basis of the best available information, including 1992 World Bank statistics, exceeds the applicable limit provided in section 504(f)(2). Accordingly, pursuant to section 504(f)(1)(A), beginning on July 1, 1993, and continuing through June 30, 1995, the limitations of preferential treatment provided under section 504(c)(1)(B) of the 1974 Act (19 U.S.C. 2464(c)(1)(B)) shall be applied substituting "25 percent" for "50 percent." Furthermore, pursuant to section 504(f)(1)(B), effective July 1, 1995, Israel shall no longer be treated as a beneficiary developing country for purposes of the GSP.

Pursuant to section 504 of the 1974 Act, after considering various requests for a waiver of the application of section 504(c) of the 1974 Act (19 U.S.C. 2464(c)) with respect to certain eligible articles, I have determined that it is appropriate to modify the application of duty-free treatment under the GSP currently being afforded to certain articles and to certain beneficiary developing countries. Further, in order to convert a prior Presidential decision taken in terms of the Tariff Schedule of the United States (TSUS) into the nomenclature of the Harmonized Tariff Schedule of the United States (HTS), I have also determined that it is appropriate to convert the waiver of section 504(c) of the 1974 Act with respect to lawn tennis balls provided for in TSUS 734.85 from Indonesia into the HTS nomenclature, specifically HTS subheading 9506.91.00.

Specifically, pursuant to section 504(c)(3) of the 1974 Act (19 U.S.C. 2464(c)(3)), I have determined that it is appropriate to waive the application of section 504(c) of the 1974 Act with respect to certain eligible articles from certain beneficiary developing countries. I have received the advice of the United States International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waivers, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the 1974 Act (19 U.S.C. 2461 and 2462(c)), that such waivers are in the national economic interest of the United States. The waivers of the application of section 504(c) of the 1974 Act apply to the eligible articles in the HTS subheadings and the beneficiary developing countries set opposite such HTS subheadings enumerated below.

HTS subheadings and countries granted waivers of section 504(c) of the 1974 Act

HTS Subheading	*Country*
7202.50.00	Zimbabwe
8521.10.60	Malaysia
8527.11.60	Malaysia

These determinations shall be published in the *Federal Register*.

William J. Clinton

[Filed with the Office of the Federal Register, 4:54 p.m., June 25, 1993]

NOTE: This memorandum will be published in the *Federal Register* on June 29.

Nominations for Positions at the Department of Labor

June 25, 1993

The President announced today that he intends to nominate economists Bernard Anderson and Katharine Abraham to positions at the Department of Labor. If confirmed, Anderson will serve as Assistant Secretary for Employment Standards Administration and Abraham will serve as Commissioner of Labor Statistics.

"Applying adequate enforcement standards and tracking the well-being of our Nation's work force are two of the Labor Department's most important responsibilities," said the President. "Bernard Anderson and Katharine Abraham will fulfill them with rigor and integrity."

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 19

In the morning, the President traveled to Boston, MA. In the afternoon, the President traveled to Portland, ME, and returned to Washington, DC, in the evening.

June 23

In the afternoon, the President had lunch with business leaders.

In the evening, the President received diplomatic credentials from the following Ambassadors: Mohamed Benaissa of Morocco, Roberto Mayorga-Cortes of Nicaragua, Thomas Kahota Kargbo of Sierra Leone, Li Daoyu of China, Seung-Soo Han of the Republic of Korea, and Adriaan Pieter Roetert Jacobovits de Szeged of The Netherlands.

June 24

In the afternoon, the President had lunch with the Vice President. He later met with Joe Louis Barrow, Jr.

In the evening, the President hosted a reception for congressional leaders.

June 25

In the afternoon, the President had a telephone conversation with Henry Leon Ritzenthaler.

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 22

Ruth Bader Ginsburg, of
New York, to be an Associate Justice of the Supreme Court of the United States, vice Byron R. White, retired.

Andrew J. Winter,
of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

David Laurence Aaron,
of New York, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

G. Edward DeSeve,
of Pennsylvania, to be Chief Financial Officer, Department of Housing and Urban Development (new position).

Susan Gaffney,
of Virginia, to be Inspector General, Department of Housing and Urban Development, vice Paul A. Adams, resigned.

Submitted June 23

Patrick H. NeMoyer,
of New York, to be U.S. Attorney for the Western District of New York for the term of 4 years, vice Dennis C. Vacco, term expired.

Mary Jo White,
of New York, to be U.S. Attorney for the Southern District of New York for the term of 4 years, vice Otto G. Obermaier, resigned.

Submitted June 24

Ramon C. Cortines,
of California, to be Assistant Secretary for Intergovernmental and Interagency Affairs and for Human Resources and Administration, Department of Education.

Victor H. Reis,
of the District of Columbia, to be an Assistant Secretary of Energy (Defense Programs), vice Richard A. Claytor, resigned.

Robin Lynn Raphel,
of Washington, a career member of the Senior Foreign Service, class of Counselor, to be Assistant Secretary of State for South Asian Affairs (new position).

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 21
Transcript of a press briefing by Secretary of the Treasury Lloyd Bentsen on the economic program

Released June 22
Transcript of a press briefing by Press Secretary Dee Dee Myers

Released June 23
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

Released June 24
Transcript of a press briefing by Press Secretary Dee Dee Myers

Released June 25
Transcript of a press briefing by Press Secretary Dee Dee Myers

Nominations of Patrick H. NeMoyer to be U.S. Attorney for the Western District and of Mary Jo White to be U.S. Attorney for the Southern District of New York

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

Acts Approved by the President

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.