

their farms, and their lives. When hard times hit, the American people stand by each other. Even in this new era, I don't think that will ever change.

Thanks for listening.

NOTE: This address was recorded at 11:55 p.m. on July 9 at the Okura Hotel in Tokyo, Japan, for broadcast at 11:06 p.m. on July 10 from Seoul, South Korea.

### **Remarks to the American and Korean Chambers of Commerce in Seoul**

*July 11, 1993*

Really, I came here mostly to listen. And I'm very delighted to be here. I'm glad to have this opportunity. You may know that the Secretary of State and the Secretary of Treasury and I met with the U.S.-Japan Chamber of Commerce in Tokyo the other day. We had about 375 people there, and it was very interesting. We had a roundtable, and they had a panel, sort of like you. And I just listened and asked them what we could do to help.

Let me just make a couple of observations. First of all, this has been, I think, from an economic point of view, quite a successful trip for the United States. The G-7 summit produced an agreement by the G-7 members on market access which would, if incorporated into the final General Agreement on Tariffs and Trade, would be the biggest reduction in tariffs in 7 years and have a huge market-opening impact on manufactured goods throughout the world. I also think it will give some real impetus as we go back to Geneva to complete the Uruguay round this year. So I feel good about that.

The second thing the G-7 did was to adopt a \$3-billion, 18-month grant and loan assistance package to Russia, anchored in a \$500-million fund to help privatize more of their state-owned industries more rapidly. That comes just after the United States Export-Import Bank has approved \$2 billion in credits for energy operations.

So I think we're really moving quite well in our partnership with Russia. I feel much better about the stability of the political climate and the capacity for economic change

than I did even after the election there. There's been a lot that happened that is basically quite encouraging.

Then thirdly, at 2 a.m. in the morning on the day that I left, the United States and Japan reached agreement on a framework for changing our trading relationships, which is quite encouraging. We committed to work toward some specific agreements in specific areas that will have some real targets, measurable progress for change in objective ways, and commits our relationship to a results-oriented basis for the first time in a way that I think is quite good. So this was a good trip.

Back home, let me just observe that the problems in America are well-known, and they are basically faced by every wealthy country in the world today. We have modest growth; we're behind where we ordinarily would be in job growth after the bottom of a recession, and incomes for most working people have remained pretty stagnant for more than a decade. And it's all part of this global slowdown that you're all very familiar with.

The positives are that, because of the progress of the deficit reduction package, we've got long-term interest rates down now to a 20-year low, tens of billions of dollars being generated back into the economy through refinancing of homes and business loans, about a million new jobs coming into this economy in the first 6 months of this year as compared with about a million in the previous 3 years.

So, even though the job engine is still slow, it's picked up markedly in the first 6 months of this year. And I think, clearly, largely because of the low interest rates and the refinancing, so that we're shifting not so much from debt to equity but from high-cost debt to lower cost debt, and the difference is being freed up for some new investment. And we can work that for a year, or maybe a year and a half, because there's so much accumulated high-interest debt in the American system.

The strategy we are seeking to follow at home is one that brings the deficit down, increases investments both public and private, and the generation of new jobs and new tech-

nologies addresses some of the real distortions in the American economy, such as the exploding cost of health care and the fact that we spend 30 percent more on it than anybody else does, and attempts to develop policies for defense conversion, technology, and trade which will hook us into the global economy in a better way.

We also tried to achieve an agreement at GATT toward more coordination of our economic policies to produce higher levels of global growth. And there was some modest success. For the first time in a decade, GATT did not criticize America's trade—I mean, budget deficit. They complimented us for trying to get it down, which is nice.

But we also got an agreement, I think, to continue to work with the Europeans and the Japanese, but there are domestic political considerations which limit what they can do. The Germans are bringing their interest rates down, but they're also tightening up their economy. The Japanese are stimulating their economy, but not as much as we wish they were. Nonetheless, I think on balance things are going in the right direction at home, and the G-7 was a big, big plus for the concept of an open trading system and for the promise of future growth.

Now, having said that, obviously there are a lot of differences between words that are spoken by people in political life, and even that are put down on paper, and the way things operate in fact. So I'm here today as much as anything else for an hour now just to listen to you, to ask you how we can help to support your mission here. America had a 20-year high in productivity increase in the last quarter of last year. There are many, many areas of the world now where in products and services we are the high-quality, low-cost producer. And there are all kinds of opportunities for us around the world that we need a good partnership between the United States and the private sector to achieve.

And so unless we know what you're thinking and what we're supposed to do, it will be hard to do that. And that's why the Secretary and I and all the folks on the wall are here today, and the rest of his hour belongs to you.

NOTE: The President spoke at 10:40 a.m. at Yongsan Army Base. A tape was not available for verification of the content of these remarks.

### **Exchange With Reporters at the Demilitarized Zone in South Korea**

*July 11, 1993*

**Q.** So what do you think?

**The President.** I think anyone who sees this would understand how important it is for us to stay strong on the issue of North Korea staying in the NPT and allowing those atomic energy inspectors back in there. And I think anyone who sees this would be proud of these young men in uniform for being here.

NOTE: The exchange began at 1:45 p.m. at a look-out post near Camp Bonifas. A tape was not available for verification of the content of this exchange.

### **Exchange With Reporters at the Demilitarized Zone**

*July 11, 1993*

#### **North Korea**

**Q.** How many more years do you think this line will hold?

**The President.** I don't know. I hope it won't be long. But in the meanwhile, I'm glad these people are here. All these young men are doing something very important. And when you see, as I said, when you see the way North Korea's been behaving, their presence here is even more important. The American people should be very proud of them. They are making a major contribution to the defense of freedom and also to the spread of freedom. And in the end our side of that bridge will prevail.

**Q.** Do you think they know you're here?

**The President.** I imagine they do. They were certainly looking. And someday they'll be able to——

**Q.** Menacingly?

**The President.** Well, I hope someday they'll just be able to walk on over here in peace.