AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

or their region of the country? Who do you believe is more likely to get quality, affordable health care for all Americans, and say to the HMO's and to the managed care people, ''We want managed care, but we don't want accountants making decisions doctors should make. We want people to get in the emergency room, to see the specialists, to have quality health care when they need it.'' The answer is John Edwards. And I'm honored to be in North Carolina with him tonight.

Thank you, and God bless you all. Thank you.

NOTE: The President spoke at 8:15 p.m. in the Governor W. Kerr Scott Building at the North Carolina State Fairgrounds.

Message to the Congress Transmitting a Report on the Arab League Boycott of Israel

July 30, 1998

To the Congress of the United States:

In accordance with the request contained in section 540 of Public Law 105–118, Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998, I submit to you the attached report providing information on steps taken by the United States Government to bring about an end to the Arab League boycott of Israel and to expand the process of normalizing ties between Israel and the Arab League countries.

William J. Clinton

The White House,
July 30, 1998.

NOTE: This message was released by the Office of the Press Secretary on July 31.

Remarks on the National Economy and an Exchange With Reporters

July 31, 1998

The President. Good morning. I want to thank the Vice President, Mr. Bowles, and our economic team for joining us today to talk about the continuing strength of our economy and what we have to do to make it stronger as we move toward a new century.

Five and a half years ago, we set a new strategy for the new economy, founded on fiscal discipline, expanded trade, and investment in our people. Today our economy is the strongest in a generation. While the latest economic report shows that growth in the second quarter of 1998 was more moderate than the truly remarkable first quarter, it shows that our economy continues to enjoy steady growth. So far this year, economic growth has averaged 3.5 percent. This is growth the right way, led by business investment and built on a firm foundation of fiscal discipline.

We've also learned today that since I took office the private sector of our economy has grown by nearly 4 percent, while we have reduced the Federal Government to its smallest size in 35 years. Wages are rising. Investment and consumer confidence remain high. Unemployment and inflation remain low. Prosperity and opportunity abound for the American people.

In the long run, we can keep our economy on its strong and prosperous course. Our economic foundation is solid. Our strategy is sound. Still, we know from events that, more than ever, the challenges of the global marketplace demand that we press forward with the comprehensive strategy we began 6 years ago.

First, we have to maintain our fiscal discipline. This week marks the fifth anniversary of the 1993 economic plan that charted our course to a balanced budget and reduced the deficit by over 90 percent by the time we signed the Balanced Budget Act in 1997. This fiscal discipline has had a powerful, positive impact, driving interest rates down, pushing investment to historic levels, creating a virtuous cycle of economic activity that has helped cut the deficit even further. We must hold a steady course, and we should not spend a penny of the surplus until we have saved Social Security first. Fiscal discipline helped to build this strong economy; fiscal recklessness could undermine it dramatically. We must use these good times to honor our parents and the next generation by saving Social Security first.

Second, we must continue to invest in the American people. Five years ago I said we had to close two gaps, one in the budget and

the other in the skills of our people. Now, as we hear of a shortage of highly skilled workers all across our country, we have more confirmation that America simply must do more in education and training. To fill those high-wage jobs, we must have a training system that works.

In 1995 I put forward a comprehensive proposal to modernize, overhaul, and streamline our job training programs. I called it a ''GI bill'' for America's workers. With bipartisan support, Congress is now poised to finish the job. I was so pleased by the bipartisan overwhelming vote in the Senate last night for the ''GI bill.'' And I look forward to prompt House action and to signing the bill into law soon. Congress must continue this path to progress without partisanship. They should abandon plans to make drastic cuts in our Nation's education budget. An investment in education is clearly the most important long-term economic investment we can make in our future.

The third thing we have to do is to lead the world in this age of economic interdependence, and we have to do more there. More than a quarter of our economic growth during the past 5 years has come from exports. One of the reasons that growth moderated in the second quarter is because we are feeling the direct, discernible effects of the Asian economic downturn. Simply put, the health of the Asian economy affects the health of our own. Just with our grain crops, about half of that crop is exported, and about 40 percent of the exports go to Asia.

We have seen, therefore, this impact already in our rural communities. And I've talked about that quite a bit in the last couple of weeks. The Asian financial crisis has literally led to a 30 percent decline in farm exports to Asia.

The International Monetary Fund is designed to support necessary reforms in those economies, to help them help themselves, and to restore growth and confidence in their economies.

Now, I also want to say something that you all know. It is especially important for Asia and for our economy that the new Japanese Government move forward quickly and effectively to strengthen its financial system and stimulate and open its economy. It is going to be very, very difficult for Asia to recover unless its leading economy, Japan, leads the way. I welcome the election of the new Prime Minister, as well as a former Prime Minister with whom I have worked, Mr. Miyazawa, as the new Finance Minister. I am looking forward to talking with the new Prime Minister tomorrow.

And again, I remind the American people of our long friendship and partnership in so many ways—political, security, and economics—with Japan. We want to work with them, and we hope that this new government can find the keys to restore to the Japanese people, who have a great economy and a great society, the growth that they deserve.

Finally, let me say, we must do our part. That is why a commitment to the International Monetary Fund is an investment not simply in other countries, in their reform but in our own economy. We have to grow this economy by selling things to other people. They need the money to buy our products. That is why Congress should step up to its responsibility, put, again, progress ahead of partisanship, and renew our commitment and pay our fair share to the IMF. I urge Congress to do this quickly and not to put at risk our prosperity.

Open and fair trade, a balanced budget, saving Social Security, better education, and higher skills—the strategy that has boosted our economy for 5½ years will boost it further as we boldly move into a new century. I will continue to do everything in my power and to work as hard as I can with Congress to strengthen an economy that offers opportunity to all, a society rooted in responsibility, and a nation that lives as a community with each other and with the rest of the world.

Again, I want to say to all the economic team how much I appreciate the special and the difficult work we have done these last 3 months as our country has coped with the General Motors strike, which, thank goodness, has now concluded on successful terms, and with the problems in Asia and elsewhere.

Thank you very much.

President's Testimony

Q. Mr. President——

Q. Mr. President——

The President. Wait, wait, wait. Everybody has got a question. Let me give you the answer to all of them.

Q. You didn't hear——

The President. I know—yes, I did. I heard all of you shouting about it.

No one wants to get this matter behind us more than I do—except maybe all the rest of the American people. I am looking forward to the opportunity in the next few days of testifying. I will do so completely and truthfully. I am anxious to do it. But I hope you can understand why, in the interim, I can and should have no further comment on these matters.

Thank you very much.

NOTE: The President spoke at 11:57 a.m. in the Rose Garden at the White House. In his remarks, he referred to Prime Minister Keizo Obuchi and Finance Minister Kiichi Miyazawa of Japan.

Statement on Senate Action on Job Training Reform Legislation

July 31, 1998

For years now, I have been fighting for a "GI bill" for America's workers to modernize job training for the economy of the next century. I appreciate the bipartisan effort in the Senate that led to passage of legislation to do just that last night. This bill will make sure that job training in America helps our people meet the demands of a rapidly changing economy. I hope the House will continue this bipartisan effort to give Americans new training opportunities designed for the cutting-edge jobs of the future.

This legislation will fundamentally reform job training by empowering individuals to learn new skills with a simple skill grant. It also consolidates the tangle of training programs; creates a network of One-Stop Career Centers; increases accountability to ensure results; allows States and communities to tailor programs to locally determined needs; and ensures that business, labor, and community organizations are full partners in system design and quality assurance. It targets vocational and adult education funds to educational agencies and institutions with the greatest need, and to activities that promote program quality. It improves the vocational rehabilitation program by streamlining eligibility determination, improving State planning, and strengthening program accountability. And it includes the youth opportunity areas initiative—which was funded in last year's appropriations process—that will create jobs and opportunity for out-of-school youth in high-poverty areas.

Proclamation 7113—To Implement an Accelerated Schedule of Duty Elimination Under the North American Free Trade Agreement

July 31, 1998

By the President of the United States of America

A Proclamation

1. On December 17, 1992, the Governments of Canada, Mexico, and the United States of America entered into the North American Free Trade Agreement ("the NAFTA"). The NAFTA was approved by the Congress in section 101(a) of the North American Free Trade Agreement Implementation Act ("the NAFTA Implementation Act") (19 U.S.C. 3311(a)) and was implemented with respect to the United States by Presidential Proclamation 6641 of December 15, 1993.

2. Section 201(b) of the NAFTA Implementation Act (19 U.S.C. 3331(b)) authorizes the President, subject to the consultation and layover requirements of section 103(a) of the NAFTA Implementation Act (19 U.S.C. 3313(a)), to proclaim accelerated schedules for duty elimination that the United States may agree to with Mexico or Canada. Consistent with Article 302(3) of the NAFTA, I, through my duly empowered representative, entered into an agreement with the Government of Mexico and the Government of Canada, dated July 27, 1998, providing for an accelerated schedule of duty elimination for specific goods of Mexico. The consultation and layover requirements of section 103(a) of the NAFTA Implementation Act with respect to such schedule of duty elimination have been satisfied.