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Hurricane Mitch

Q. Mr. President, the Central American countries that are affected are all democracies. They're all emerging markets. And it's not only a job of reconstruction, which is going to be very expensive; it's getting them back on their feet. You have shown a lot of interest in Latin America. Would you be willing to lead a movement of European countries or pan-Asian countries that would also help, because there is going to be a tremendous amount of reconstruction needed?

The President. We're going to be discussing that. I think there will be a lot of interest in the World Bank and elsewhere in trying to help put these countries back on their feet economically. But right now I think it's important that we focus on trying to help them with the present.

I mean, it's inconceivable to most Americans that a natural disaster would lead to the deaths of thousands and thousands of people. Keep in mind, all these countries are much smaller than we are. Imagine how we would feel in America if 7,000 people died in a natural disaster. And the combined population of these countries is so much smaller than ours. Virtually every family will be affected in some way or another.

And so I would say, first of all, let's help them deal with the present crisis and deal with it as rapidly and as well as possible. And then of course we will be looking at what we can do to help them rebuild and return to normal life.

President's Sixth Anniversary

Q. This is your sixth anniversary. Has it been 6 years——

The President. It is my sixth anniversary, isn't it? They have been 6 very good years, very good years for our country. And as I tell everybody around here, even the bad days are good. It's an honor to serve, and my gratitude today is immense to the American people for giving me two chances to do this and for the good things that have happened in our country over the last 6 years.

I think we can look back over 6 years and think, if you had known 6 years ago that our country would be in the position it is today, I think we would have all been almost incredulous, but we would have been full of energy and hope. I think it shows that if you just get a good team together and everybody works like crazy, and the American people do what they do, which is to get up every day and do their jobs, that good things can happen.

I'm just—I'm very grateful for these 6 years, and I'm grateful for the progress our country has made.

NOTE: The President spoke at 11:30 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Statement on Signing the Securities Litigation Uniform Standards Act of 1998

November 3, 1998

Today I am pleased to sign into law S. 1260, the ''Securities Litigation Uniform Standards Act of 1998,'' (Uniform Standards Act).

This country is blessed with strong and vibrant markets, and they function best when corporations can raise capital by providing investors with their best, good-faith future projections. This legislation will help stabilize the enforcement scheme of the Private Securities Litigation Reform Act of 1995 (the Reform Act) by ensuring that parties obtain the benefits of the protections that Federal law provides. The Uniform Standards Act reinforces our national capital markets by promoting uniform national standards for information generated for and used in national capital markets. If firms know that they can rely on the Reform Act's ''safe harbor'' for forward-looking information, they will provide the public with valuable information about their prospects, thus benefiting investors by enabling them to make wiser decisions.

The Reform Act substantially revised both substantive and procedural law governing private actions under Federal securities laws. It was designed to end litigation abuses and ensure that investors receive the best possible information by reducing the litigation risk to companies that make forward-looking statements. In addition to the safe harbor for forward-looking statements, the Reform Act

created, among other things, a stay of discovery pending a defendant's motion to dismiss; limited the exposure of certain defendants by establishing proportionate liability, rather than joint and several liability, for parties not found to have ''knowingly'' committed violations; and required courts to assess whether all parties complied with Rule 11 of the Federal Rules of Civil Procedure, prohibiting frivolous legal filings.

Although I supported the Reform Act's goals, I vetoed the Act because I was concerned that it would erect procedural barriers and keep wrongly injured persons from having their day in court. In particular, I objected to certain statements in the 1995 Conference Report's Statement of Managers that created ambiguity with respect to whether the bill was adopting the pleading standard in private securities fraud cases of the U.S. Court of Appeals for the Second Circuit—the highest pleading standard of any Federal circuit court and a standard that I support. When the bill returned to the House and Senate floors after my veto, the bill's supporters made clear that they did in fact intend to codify the Second Circuit standard. After this important assurance, the bill passed over my veto.

Since passage of the Reform Act, there has been considerable concern that the goals of the Reform Act have not been realized. In particular, there was testimony that firms are not using the Federal safe harbor for forward-looking statements because they fear State court litigation over the same representations that are protected under Federal law. In addition, concerns have been raised that State actions are being used to achieve an ''end run'' around the Reform Act's stay of discovery.

In signing the Uniform Standards Act, I do so with the understanding, as reflected in the Statement of Managers for this legislation and numerous judicial decisions under the Reform Act adopting the pleading standard of the Second Circuit, that investors with legitimate complaints meeting the Second Circuit pleading standard will have access to our Nation's courts. This point was critical to my veto of the Reform Act in 1995; it was reaffirmed before ultimate passage of the 1995 Act over my veto; and its assurance was a prerequisite to my signing this legislation today, as indicated in the April 28, 1998, letter from my staff to Chairman D'Amato, Senator Gramm, and Senator Dodd. Since the uniform standards provided by this legislation state that class actions generally can be brought only in Federal court, where they will be governed by Federal law, clarity on the Federal law to be applied is particularly important. The Statement of Managers confirms that the Second Circuit pleading standard will be the uniform standard for pleading securities fraud. Thus, the uniform national standards contained in this bill will permit investors to continue to recover losses fairly attributable to reckless misconduct. I am aware of and agree with the expert views on this issue of the Securities and Exchange Commission (SEC), which, along with my staff, worked hard in shaping this legislation.

With these assurances in the Statement of Managers that reckless conduct will continue to be actionable and that complaints meeting the Second Circuit pleading standard will permit investors access to our Nation's courts, I believe that the uniform national standards created by this bill will generate meaningful information for investors and further reduce frivolous litigation without jeopardizing the critically important right of defrauded investors to obtain relief.

I do, however, object to one provision in this bill. Section 203 provides separate authority for job classification and pay of SEC economists. This provision was added to the bill at the last minute without any time for review or comment. There is no justification to treat SEC economists differently from other Federal employees. With that one exception, I am pleased to sign the Securities Litigation Uniform Standards Act of 1998 into law.

William J. Clinton

The White House,
November 3, 1998.

NOTE: S. 1260, approved November 3, was assigned Public Law No. 105–353.

Statement on the Sweatshops Agreement

November 3, 1998

Today's agreement on fighting sweatshop practices is an historic step toward reducing sweatshop labor around the world and will give American consumers confidence that the clothes they buy are made under decent and humane working conditions. I applaud the apparel industry, labor unions, nongovernmental organizations, and consumer groups who answered the challenge I laid out 2 years ago to find cooperative ways to reduce sweatshop labor.

This agreement is only the beginning. We know that sweatshop labor will not vanish overnight. While this agreement is an historic step, we must measure our progress by how we change and improve the lives and livelihoods of apparel workers here in the United States and around the world. That is why I urge more companies to join this effort and follow these strict rules of conduct.

I want to thank all the parties who worked so hard to bring this agreement to a close, and especially Senator Tom Harkin, who first brought this issue to my attention a long time ago.

Remarks Prior to a Meeting With the Economic Team and an Exchange With Reporters

November 4, 1998

Legislative Agenda

The President. Good afternoon. Now that the election is over, it is time to put politics aside and once again focus clearly on the people's business. In yesterday's election, I think the message the American people sent was loud and clear: We want progress over partisanship and unity over division; we should address our country's great challenges; above all, now we must address the challenge to save Social Security for the 21st century.

We have work to do in other areas as well. We should move forward to pass a Patients' Bill of Rights. We should strengthen our schools by finishing the job of hiring 100,000 teachers and then passing the school modernization initiative, to give us 5,000 remodeled or new schools. We should increase the minimum wage. We should pass campaign finance reform. We must maintain our fiscal discipline to strengthen our own economy and maintain our efforts to stabilize the global economy.

But above all, now we have to seize this opportunity to save Social Security. And we're about to have another meeting here, one of many, in anticipation of the White House conference. I have spoken tonight and today with Senator Lott and Speaker Gingrich, with Senator Daschle and Mr. Gephardt, to ask them to join with me in this effort. On December 8th and 9th we will hold the first-ever White House Conference on Social Security, bringing together people from Congress and the administration, from the public and experts of all persuasions. We will only be able to do this if we reach across party lines, reach across generational lines, indeed, reach across philosophical lines to forge a true national consensus.

I believe we can do it. I believe we must do it. Yesterday's election makes it clear that the American people expect us to do it.

1998 Elections

Q. To what do you attribute, Mr. President, the Democratic gains? I mean, was there one factor that you think was really the motivation?

The President. Well, let me say I'm very proud of what our party did yesterday in the face of the tide of history and an enormous financial disadvantage. I think it's clear what happened. I think that they stayed together; they had a message that was about the American people, their needs, their opportunities, and their future. I think that they won because they had a clear message that was about America, about saving Social Security, and improving education, and passing the Patients' Bill of Rights, and raising the minimum wage and those other things. I think that's why they won. And they were able to get an enormous outpouring of support in all quarters of the country. And I'm very proud of what they did. But I think they did it by putting progress over partisanship.