

tive in price and quality for various products and services. And while they don't have stated tariffs and quotas and barriers that keep us out, we nevertheless aren't in and don't get in and can't get in. And so what we're trying to do is to find our way into dealing with that issue on the theory that it's just—I don't want to close American borders to Japanese products, but I do expect more opportunities for Americans in Japan if we're going to play this.

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

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

If you think we're on the wrong track, feel free to tell us. But I believe we've got to keep pushing forward to try to show you some results from all this talking. We've been talking until we're blue in the face for a long time now. I'd like to show a little bit of result.

Q. That was the question I had.

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

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

Thank you very much.

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

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

June 10, 1993

Economic Program

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

First of all, I'm very encouraged that the Senate Finance Committee is working hard in trying to push the process forward. I want to reemphasize that, to me, in the end, we have to have certain basic principles satisfied: \$500 billion in deficit reduction in the trust fund so that all the spending cuts and taxes have to be protected for that; \$250 billion of spending cuts. The taxes have to fall primarily on those best able to pay them. Right now, over two-thirds of the taxes fall on people with incomes above \$200,000,

75 percent on people with incomes above \$100,000. I want the energy tax to be pro-conservation and as broad-based as possible. And I want the initiatives for growth and jobs in there, the earned-income tax credit to encourage the working poor to move out of poverty, the empowerment zones for investment in our cities, the incentives to create jobs. Those are the principles that I want.

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

this progress.

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

Q. Where is the progress?

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

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

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

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

The President. That is not why there's not going to be a meeting here. But the Black Caucus, if they want to advocate for the Btu tax, you know, I like it. I think it's the best and fairest tax. And I think the Secretary of the

Treasury made a very good proposal for a modification of it. But neither they nor I have a vote on the Senate Finance Committee. The Btu levy will be in the conference, and no decision has been made. I have not signed off on any energy proposal in the Senate yet. I believe that the proposal we made is the best one we have. But neither they nor I have a vote on the Senate Finance Committee.

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

Former Yugoslav Republic of Macedonia

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

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

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

Remarks on Signing the National Cooperative Production Amendments of 1993

June 10, 1993

I want to thank Senator Leahy, Senator Biden, Congressman Brooks, and Congressman Fish for being here today and for their leadership in helping to enact into law the bill I am about to sign. I want to thank the Attorney General for her presence here and for the work

that the Justice Department did on this bill, H.R. 1313, called the National Cooperative Production Amendments of 1993.

This bill was the embodiment of the concept that the Vice President, who has just come in—come on up. Good to see you. He's magical.