

Aug. 4 / Administration of William J. Clinton, 1994

- (c) develop better measures of performance for Federal civil rights enforcement programs, taking into account the real impact of programs on the daily lives of all Americans; and
- (d) support and advise all agencies as we reinvent our strategies for the promotion of an open and inclusive society.

With this interagency effort, I underscore the commitment of this Administration to bring new

energy and imagination to the opportunity agenda. In departments and agencies throughout the Federal Government, this work is already well underway. The Working Group will provide a mechanism to expand and accelerate that vital work. Its work will be among our greatest contributions to the people we serve.

WILLIAM J. CLINTON

Statement by the Press Secretary on Support From Economists for Prompt Ratification of the GATT Agreement

August 4, 1994

The President received a letter today from 446 economists urging Congress to approve the Uruguay Round agreement immediately. The President welcomed their support, saying, "Economists know that the GATT agreement will help ensure long-term economic growth for America. GATT will add as much as \$100 to \$200 billion to the United States economy every year when fully implemented. That means hundreds of thousands of new jobs for American workers. Congress should pass GATT now so that the American people can begin to reap the benefits of expanded world trade as soon as possible."

Three of the economists signing the letter had also signed the famous 1930 letter to President

Hoover that warned against passage of the Smoot-Hawley Tariff Act. The President expressed his appreciation for their counsel: "In his NAFTA debate last year, Vice President Gore made clear that the Smoot-Hawley Act sharply increased U.S. tariffs and helped touch off the Great Depression. More than 60 years ago, these three men were wise enough to champion free trade and economic growth in the face of tremendous public opposition. We should heed their advice today and pass the GATT now."

NOTE: The letter from the economists was also made available by the Office of the Press Secretary.

Remarks on the Anniversary of the Passage of the Economic Program

August 5, 1994

Well, thank you all. We've established one thing beyond doubt. We all have enough sense to come in out of the rain. *[Laughter]*

Thank you, Mr. Quimby, and thank all of you. We've had representatives of four fine companies speak here today: the head of one of our largest corporations; the head of a medium-sized high-tech company, growing and growing into the world economy; the head of a small company that's doubled the number of—or now a man that's moved from a small job to a large job in a small company that's growing very rapidly; and a new employee. The Vice President

and I wanted these folks here for this announcement today because they represent what our efforts are all about.

I said the other night in my press conference that there are a lot of lobby groups in Washington, but I wanted the White House to be known as the "home office of the 'American association of ordinary citizens.'" And what I mean by that is that in this time of profound change, what we need to be doing is figuring out how we can make the changes necessary together to en-

able all of our people to live up to their potential, to fulfill their dreams, to move into the next century with the American dream alive in every family and with American leadership secure. And when I sought this job, I was convinced that would require some changes in my political party, some change in the other political party, and some changes in the way we do our work here in Washington.

If you listen to the four stories here, that's really what's behind all these arcane arguments and all the political rhetoric over economic policy: the simple question of whether people will be able to pursue their destinies and their dreams and live up to the fullest of their abilities. I could never hope to say it any better than these four people did, and I think we should give them all another round of applause. [Applause]

Today, we celebrate because this morning, as the chart to my left shows, the Labor Department reported that since our administration came into office, our economy has produced more than 4 million new jobs, almost all of them in the private sector. Now, as we know, when I ran for office, I said I thought we could produce 8 million new jobs in 4 years and that we would do 4 by the end of '94. So we're 6 months ahead of schedule.

I do want to correct one thing. You know, I get criticized sometimes for my attention to detail, but I want to show you this. Where is it? I asked for this pen this morning when I looked at this chart because when I looked at the numbers, there are actually not 4 million new jobs but 4.1 million new jobs. And now that we're out of the rain, I'm going to make a correction on it.

Manufacturing jobs have been increasing in this country for 7 months in a row now for the first time in 10 years. All the jobs created last month, 100 percent of them, were in the private sector, not in government. Companies like Kenlee Precision have added those second and third shifts, jobs that made it possible for people like Charles Quimby to get ahead. Companies like Ellicott Machine have been able to hire new workers like Frankie McLaurin. Executives like Bob Eaton and Carol Bartz are making a good beginning in this remarkable partnership we have to renew America. And they described to you, perhaps better than I could, what the role of the National Government is in their

agenda for the future, what we should be doing and what we should not be doing.

None of this has been easy. Indeed, I have been mystified since I got here about why some of these things are as hard as they are and why they take as long as they do. One of the problems is that in this town, sometimes words replace reality. In the computer business and in high technology, virtual reality is a very good thing. It enables you to replicate situations and to avoid future problems. In Washington, I'm not sure we have virtual reality; I think what we have up here is virtual unreality, which is a bad thing because it enables you to almost dehumanize problems and turn them into words and rhetoric and labels. And we have all these word battles up here that don't seem to make any sense to ordinary people.

Once in a while I watch the evening news and—I'm usually working when it's on—once in a while I watch it, and I see the way we're presented, and I look at that and I say, well, heck, if I was still back home I wouldn't be for that guy either. [Laughter] Just because of the way it all plays out. You know, it's so—it's kind of unreal. And what we've got to do is find ways to bring reality, your reality, the way you look at the world, the way you live with the world every day, into the decision-making of this town.

And that's what we did when we passed that economic plan. Bob Eaton had it right. He said, well, he wouldn't have done it in the same way we did, but he was glad we got the job done. Well, that's the way I feel about his cars. I don't have any idea if I'd make the same decisions he makes on everything, but they make awful good cars and I'm glad they got the job done. In the end, that's the way we should judge ourselves.

And we did the best we could with that economic program, considering the fact that at the moment of voting we had no help from the other side. They said the sky would fall. One of them, and I quote, said, "Taxes will go up. The economy will sputter along. The deficit will reach another record high. It's a recipe for disaster." That was wrong. That was wrong.

What did we do? We did have a tax increase on the wealthiest Americans, but it's still—the rates are well below where they were in 1980. And all the money went to pay down the deficit and to finance a tax break for 15 million working families who were just above the poverty line,

and we didn't want them to go back to welfare. We wanted to encourage people with low wages to keep working and to keep raising their kids and to stick by the American dream. There were too many people who were giving up work for welfare, and we wanted it to be the reverse. So I plead guilty to that.

We also cut \$255 billion in spending, and we passed a tough budget that helped to drive those interest rates down, get this economy going again. This year, we're about to pass another tough budget that eliminates 100 Government programs outright, contains the first reduction in domestic discretionary spending in 25 years—outright reduction—and continues to drive that deficit down while increasing the money we're spending to empower people to succeed in the global economy: more for education and training, more for Head Start for little kids, the establishment of a lifetime learning system, for world-class standards in our public schools, more apprenticeships for young people who get out of high school and don't want to go to college. And our economic program made it possible for 20 million Americans to refinance their college loans at lower interest rates and better repayment terms. That is the direction in which we ought to be going.

And finally, as you heard Carol and Bob talking about, we're trying to expand the barriers of trade, or tear down the barriers and expand the frontiers. Frankie said that Ellicott was doing well largely because of NAFTA. They also said—a different group said that the sky would fall if we did that. But there we had a bipartisan majority fighting for change. We passed it. Our car sales in Mexico are growing 5 times as fast as they did before NAFTA was passed. Mexico is now our fastest growing trading partner. Even though their economy is in a down period, we're still having explosive growth. Think what it will be like when they start to grow again. This is very important.

We're trying to sell airplanes all around the world. We just announced a new shipbuilding initiative. The Trade Ambassador, Mr. Kantor, has resolved agricultural disputes with Canada. We're selling rice to Japan for the first time. We are moving in to the global economy, and we are working on these things. And I don't know that these things fall very neatly into the kind of words people throw at each other here in this town. Is it liberal or conservative, Republican or Democrat? I don't know, and I don't

care. I just want people to be able to work and to do well and to have this economy grow.

And I know to do that—when we have the deficit coming down for 3 years in a row for the first time since Truman was President, when we're moving toward the smallest Federal Government that we've had since Kennedy was President, and when the economy is growing this rapidly—last year we had more businesses formed than in any year since World War II—we're not doing bad. We've got to get rid of the rhetoric and go back to reality.

And I would say this: The future looks good. Fortune Magazine predicts for the first time in 10 years, the economy in every State in America will grow next year. And that is very good. Most businesses expect to grow next year and to expand. And consumer confidence is high.

But we have to continue to face the tough problems up here. And one of the things that I hope very much will happen is that the experience we had working through these economic problems and the results that have been achieved—when you take on a problem, risk some unpopularity in the short run, even if you win by the narrowest of margins, if you actually address a problem, you get results. That is very good because that proves that Washington is not all that unreal after all, that there really is some connection to our lives up here and the way you live where you are. Because if you ignore the problems in these four companies, 10 years from now there won't be anybody from your companies to show up here and talk at the White House.

In the end, you have to face the challenges before you. We are now seeing that again. We have some challenges ahead of us. The Congress must, must approve the worldwide GATT trade agreement that we negotiated, that we got agreement on, but the Congress has to enact it. It will mean a tax cut in the form of lower tariffs and lower costs for Americans and people all across the world of—listen to this—\$744 billion over the next 10 years. It will create hundreds of thousands of high-paying American jobs. We have got to finish the job on the trade issue. The next step is GATT.

Before I close, I want to mention two other issues, but it's the same point, problems you can't run away from. We must address the health care situation this year, not just for the people who don't have health insurance but for

the people who do but who pay too much for it and who could lose it, not just for the companies who don't provide health care but for the companies who do and pay too much for it.

Why have the Big Three automakers supported us in health reform all along? Because one of the reasons we lost jobs and market share in the automobile industry is that they were paying too much for health care. And one of the reasons they were paying too much for health care is they were paying for all the people in this country who don't cover themselves and who don't do their own part.

Now, here are some basic facts that nobody can ignore. We can all disagree on the solution; nobody can ignore these facts. Of all the countries in the world, we spend more than anybody else on health care by a long ways, but we're the only major country that doesn't cover everybody with health insurance. Of all the countries in the world with which we compete, we are the only one going in the wrong direction. Today there are 5 million Americans, 85 percent of them working people and their kids, who are in this country today who do not have health insurance, who had it 5 years ago. So we're going in the wrong direction.

We have problems here with people who have health insurance but could lose it if they change jobs, somebody in their family gets sick, they have a preexisting condition, or the cost of the policy goes through the roof.

Yesterday I gave awards to four young Americans who have done heroic things and important community service. The United States has been doing this through the Justice Department for the last 44 years. One of these young Americans was the daughter of a farmer, who happens to be a Republican, in the panhandle of Oklahoma. She was injured and paralyzed from here down in a car wreck in 1990. This girl, a beautiful girl, could have given up on life, but instead she decided she would devote herself to try and encourage other young people not to drink and drive and not to ride with people who drink and drive and always put their seatbelts on in a car. She was going to try to help other people avoid what had happened to her. And her daddy is just a hard-working farmer. She's got a sister who is a lovely girl; she's got a wonderful mother. They were paying over \$3,000 a year for a limited health insurance policy with very high deductibles. All of her costs were a couple of years ago, attendant on her wreck. This is 4

years later; they were just notified that their insurance premiums were going from \$3,100 a year to \$9,300 a year. And this farmer is going to have to drop his insurance.

Now, with these two wonderful kids, he's got to figure out how they're going to college, what they're going to do, living out there in a little town in western Oklahoma. And like he told me, he said, "You know, this is not a political deal." He said, "I'm a Republican; I'm a conservative. I don't want the Government to do anything for me, but we need some help here. There's something wrong if I can't take care of my family, hard as I'm working."

So again, I say to the Members of Congress on this, let's just do something about this. Most small businesses in America are struggling to provide health care, and they're paying too much for it, because they can't get the same rates that big business and Government gets. Some big businesses, like Chrysler, are paying too much for it because when people who don't have health insurance get sick, they still get care. They go to the emergency room, and then their costs are passed along to everybody else in higher hospital bills and higher insurance premiums.

We know that something works. We know what they do in Hawaii works. It's the only State where employers and employees are required to split the difference and cover health insurance. And we know that even though most everything else in Hawaii is more expensive than it is on the mainland because it's way out there in the Pacific, health insurance costs for small business are 30 percent lower there than the national average. Why? Because everybody has to pay something, but you're only paying for yourself, you're not paying for anybody else, number one, and number two, because small and medium-sized companies get to band together in big buying groups so they can buy insurance with the same competitive power as Chrysler and the Federal Government. So we know that works.

So I just think I would say again, all I ask of any of you is to ask the Members of Congress to put aside partisanship, rhetoric, and this sort of word-throwing, and let's just think about the people of America, just like we do here, 4.1 Americans who have jobs, all different races, all different religions, all different political groups. All I know is, we're better off that they're in that line. And we'd be better off if

we solved the health care problem, and we're going to pay a terrible price if we don't.

One last issue I want to mention: I went to the Justice Department last week for what was a great celebration. We had hundreds of police officers there to celebrate the fact that after 6 years of bickering, the House and the Senate had both passed crime bills and had agreed on a common bill through their conference committees to send back so that each one of them could pass identical bills, so that I could sign a crime bill into law that would give us 100,000 police officers on the street—that's a 20 percent increase; that would ban 19 kinds of assault weapons and protect 650 hunting and sporting weapons, to make sure that this was not a gun control issue, this was an assault weapons issue; that would ban handgun ownership by minors; provide for safe schools; provide for "three strikes and you're out," tough penalties, more prison cells, and billions of dollars for prevention programs to give children something to say yes to as well as something to say no to, the biggest, toughest, smartest crime bill this country's every passed.

Unbelievably, after 8 days nothing has happened. The bills are there. We need it. The American people know how bad we need it. The Democratic mayors and the Republican mayors have endorsed it. The Democratic Governors and the Republican Governors have endorsed it. Every police organization in the country, the attorney generals, the local prosecutors out there in the country where people know that crime strikes people without regard to race or political party, everybody is for this crime bill. But here the crime bill is, stuck in a web spun by a powerful special interest.

You see, before a bill can come to vote in the House of Representatives, it has to be voted out of the Rules Committee. And then the House has to vote first on whether the bill's going to actually be brought to a vote, not on the bill but whether it's going to be brought to a vote. It's a procedure.

The National Rifle Association is trying to block the vote on the rule because they are against the assault weapons ban, because they know that a majority of the House and the Senate will vote for this bill if it gets to a vote. So they are trying to block the vote on the rule, hoping that people can hide and say, "Well, I didn't really vote against the bill, but

there was something about the way it was coming up I didn't like."

I got a letter from a kid from New Orleans last spring who asked me to do something about the crime problem. He said, "I'm 9 years old, and I'm really scared that something's going to happen to me." And 9 days later that kid was shot dead. Now, we've been waiting for 8 days for a vote on this crime bill. We have debated this. We fought the assault weapons ban. I thought the NRA was going to win, but we won fair and square. We only won by two votes, but we won, the police officers and those of us who don't want the cops to be outgunned. It was a fair and square deal. We won. And we won in the Senate. And it's in the bill. And I didn't think we could beat them, but we did. We worked like crazy, and we did.

It is wrong to let the NRA, and other interest groups, too, to be fair, who have some other bone to pick with this bill but who know it cannot be defeated on the merits, to use a procedural vote to keep the American people from getting the police, from the kids from getting this prevention money, from the people from getting the "three strikes and you're out law," from the police from getting the help they need with the prisons, and all the rest of this. This is a good deal, and we're not paying for it with a tax increase. We're paying for it by reducing the size of the Federal bureaucracy by more than a quarter of a million between now and 1999.

And I want to plead with you to ask the Congress over the weekend not to let procedure get in the way of saving the lives and the future of the United States. We showed up here to make decisions. If anybody wants to vote against the crime bill, let them vote against it. There are people who are going to vote against it because they're honestly opposed to capital punishment or because they're honestly opposed to the assault weapons ban or because they're honestly opposed to the prevention funds. Let them vote against it. That's fine.

But do not let us pull another Washington, DC, game here and let this crime bill go down on some procedural hide-and-seek. If we're going to have a shoot out, let's do it in high noon, broad daylight, where everybody knows what the deal is.

Thank you very much.

NOTE: The President spoke at 10:55 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Charles Quimby, manufacturing manager, Kenlee Precision Corp.;

Frankie McLaurin, steelworker, Ellicott Machine Corp.; Robert Eaton, chairman and CEO, Chrysler Corp.; and Carol Bartz, chairman, CEO, and president, Autodesk, Inc.

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

August 5, 1994

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

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102-1), and as part of my effort to keep the Congress fully informed, I am reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council.

The International Atomic Energy Agency (IAEA) has effectively disbanded the Iraqi nuclear weapons program at least for the near term. The United Nations has destroyed Iraqi missile launchers, support facilities, and a good deal of Iraq's indigenous capability to manufacture prohibited missiles. U.N. Special Commission on Iraq (UNSCOM) teams have reduced Iraq's ability to produce chemical weapons.

Notably, UNSCOM's Chemical Destruction Group (CDG) concluded its activities on June 14 after establishing an excellent record of destroying Iraq's stocks of chemical munitions, agents, precursor chemicals, and equipment procured for chemical weapons production. With as many as 12 nations participating at any one time, the CDG destroyed over 480,000 liters of chemical warfare agents, over 28,000 chemical munitions, and over 1,040,000 kilograms and 648 barrels of some 45 different precursor chemicals for the production of chemical warfare agents.

Significant gaps in accounting for Iraq's weapons of mass destruction (WMD) programs remain, however. This is particularly true in the biological weapons area. Due to Iraq's insistence that the relevant documentation on its past programs has been destroyed, UNSCOM has had to resort to other, more time-consuming procedures to fill in the gaps.

The United Nations is now preparing a long-term monitoring regime for Iraq as required by U.N. Security Council Resolution (UNSCR)

715. This program must be carefully designed if it is to be so thorough that Iraq cannot rebuild a covert program, as it did before the Gulf War, when it claimed to be in compliance with the Nonproliferation Treaty. Continued vigilance is necessary because we believe that Saddam Hussein is committed to rebuilding his WMD capability once sanctions are lifted.

It is, therefore, extremely important that this monitoring regime be effective, comprehensive, and sustainable. A program of this magnitude is unprecedented and will require continued, substantial assistance for UNSCOM from supporting nations. Rigorous and extensive trial and field testing will be required before UNSCOM can judge the program's effectiveness. The Secretary General's report of June 24 has detailed those areas where work remains to be done.

Rolf Ekeus, the Chairman of UNSCOM, has told Iraq that it must establish a clear track record of compliance before he can report favorably to the Security Council. Chairman Ekeus has said he expects to be able to report by September on the start-up of the long-term monitoring program. We strongly endorse Chairman Ekeus' approach and reject any attempt to limit UNSCOM's flexibility by the establishment of a timetable for determining whether Iraq has complied with UNSCR 715. We insist on a sustained period of complete and unquestionable compliance with the monitoring and verification plans.

The "no-fly zones" over northern and southern Iraq permit the monitoring of Iraq's compliance with UNSCRs 687 and 688. Over the last 3 years, the northern no-fly zone has deterred Iraq from a major military offensive in the region. Tragically, on April 14, 1994, two American helicopters in the no-fly zone were shot down by U.S. fighter aircraft causing 26 casualties. The Department of Defense has completed