

of the most basic and normally noncontroversial spending bills out of their committees.

The majority budget plan is simply not realistic. It is a blueprint for chaos, and we can do better. I urge Congress when it returns to work with me in a bipartisan way for a budget that is both fiscally responsible and honors our values and prepares for our future.

Federal Energy Policy

I also discussed with the Cabinet new actions to deal with what, in my State of the Union Address, I said was our most fateful environmental challenge, global warming. Almost every month, we see disturbing new evidence of climate change. Scientists now believe that last year, 1998, was very likely the warmest year in a millennium. Whole species of frogs are disappearing from forests in Costa Rica because the air there is getting hotter and drier. In the Arctic, the permafrost has started to warm and the sea ice is shrinking. These are alarming signs for what it means to biodiversity and the potential of a rising water level around the globe.

Yet some still insist that the vast majority of scientists are simply wrong, and that we should do nothing. Others call for a raft of new regulations and new taxes. I believe there is a third way here, a better way, to invest in technologies that reduce greenhouse gases while also spurring economic growth. Many of those technologies are on hand right now.

As the single largest consumer of energy in our country, the Federal Government should be leading the way. That is why today I am directing all Federal departments and agencies to take steps to markedly improve the energy efficiency of our buildings. With new technologies and contracts with private companies, the Federal Government will cut its greenhouse gas emissions by 30 percent. That is the equivalent of taking 1.7 million cars off the road. By taking these steps, we will also save the taxpayers over

\$750 million a year when they are fully implemented.

I'm also pleased to announce that the Defense Department will award, by the end of this month, the largest energy-saving contract in the history of the Federal Government. Under this contract, the Government pays no up-front costs, the contractor wins a share of the energy savings; greenhouse pollution is reduced; and taxpayers will save over \$200 million.

I want to express my thanks to Secretary Cohen and Secretary Richardson for turning the idea of these win-win energy contracts into a reality. And I want to urge Congress, again, to pass the new research investments and the new tax incentives I have proposed in my balanced budget, so that America's consumers and businesses can reap the benefits of energy-saving technologies that exist today, and the new, better technologies that are soon to be developed.

So, in closing, let me say we have some encouraging news on Kosovo, but we should be cautious, and we should see real results.

We have presented a good budget to the Congress; the one they have come back with won't work. We've got to work together to give the American people one that will. The problem of climate change and global warming is real, but we don't have to have an economic breakdown to deal with it; what we need is a vigorous embrace of effective technologies, first by the Federal Government and then by all the American people.

Thank you very much.

NOTE: The President spoke at 2:52 p.m. in the Rose Garden at the White House. In his remarks, he referred to President Martti Ahtisaari of Finland and Special Envoy and former Prime Minister Viktor Chernomyrdin of Russia. The Executive order on Government energy management is listed in Appendix D at the end of this volume.

Statement on the Resignation of Alice Rivlin as Vice Chair of the Board of Governors of the Federal Reserve System

June 3, 1999

I am sorry to hear that Alice Rivlin is stepping down as Vice Chair of the Federal Reserve.

During my administration, she has served with distinction and integrity both as Vice Chair of

the Federal Reserve and as Director of the Office of Management and Budget. For many years, Alice has been a steady and strong voice for fiscal discipline, and she deserves much credit for helping usher in a new era of budget surpluses.

Alice has a deep and abiding commitment to the city of Washington, DC. Her work and

advice have played a critical role in helping turn around the finances of our Capital City and putting the District in a better position to reshape its future. I am glad that she will continue her work as Chair of the DC Financial Assistance Authority. I thank Alice for her dedication and hard work and wish her well in the future.

Statement on the Decision To Extend Normal Trade Relations Status With China

June 3, 1999

I have decided to renew Normal Trade Relations (NTR) status with China, so that we will continue to extend to China the same trade treatment we provide to virtually every other country on Earth. Maintaining NTR with China, as every U.S. President has done since 1980, will promote America's economic and security interests, and I urge Congress to support this decision.

NTR with China is good for Americans. Our exports to China have quadrupled over the past decade. Exports to China and Hong Kong support some 400,000 American jobs. Revoking NTR would derail ongoing negotiations to increase our access to China's market and to promote economic reforms there.

Trade also remains a force for social change in China, spreading the tools, contacts, and ideas that promote freedom. A decade ago at Tiananmen, when Chinese citizens courageously demonstrated for democracy, they were met by violence from a regime fearful of change. We continue to speak and work strongly for human rights in China. A continued policy of principled, purposeful engagement reinforces these efforts to move China toward greater openness and broader freedom. This is the path to lasting stability and prosperity for China, to a future that will benefit the Chinese people—and the American people.

We pursue engagement with our eyes wide open, without illusions. We continue to speak frankly about our differences and to firmly protect our national interests. A policy of disengagement and confrontation would only strengthen those in China who oppose greater openness and freedom.

Therefore, I am committed to bringing China into global structures, to promote China's adherence to global norms on human rights, weapons of mass destruction, crime and drugs, immigration, the environment, and on trade. I am determined to pursue an agreement for China to join the World Trade Organization on viable commercial terms. This is not a favor to China but a means of opening and reforming China's markets and holding China to the rules of the global trading system—developments that will benefit America. Accordingly, I am prepared to work closely with Congress to secure permanent NTR status for China in the context of a commercially strong WTO agreement.

NOTE: The related memorandum is listed in Appendix D at the end of this volume. The Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105–206, section 5003, changed the term “most-favored-nation” status to “normal trade relations” status.