

accept a final reconciliation package that includes a scaled-down energy tax and some elimination of certain corporate tax incentives, such as suggested by Senator Bradley, specifically a minimum tax, elimination of VAT tax, elimination of expensing provisions in a final bill, particularly if interest rates remain low?

The President. The most important thing is to get the deficit reduction, have the tax burden be very progressive, fall 75 percent on the wealthy, and have at least as many spending cuts as you do tax increases.

Let me answer very specifically your questions. And let me just tell you that in general, first of all, I have an enormous respect for Senator Bradley, and I think the '86 tax reform act did an awful lot of good in eliminating a lot of loopholes, deductions, and things that it's very difficult to argue for and in trying to get rates down.

Now having said that, I still believe that there is a distinction to be made between investment and consumption by businesses and individuals and that the tax system of this country should at the very least not penalize investment. I have favored some changes in the alternative minimum tax because I believe the way it operates now you put people in a very difficult position when they want to go invest in plant and equipment if it triggers the alternative minimum tax burden, even when they're just investing. So, I would like to see some modification in that.

He may have some ideas about how we can have a better modification or maybe he says we don't need as much money, but I think conceptually it's important. The second thing, the small business community is the major generator of jobs in America, has been for the last 12 years. Their job-generating capacity has slowed recently because it costs a lot of extra money to hire an employee and because of uncertainties in the economy. I believe if we increase the small business expensing provision from \$10,000 to \$25,000 that for millions of small business people out there who are the backbone of this economy, they will then see the wisdom in continuing to invest, continuing to expand, and a lot of people might hire one more person, two

more people, three more people, in ways that will create jobs for the economy.

In the end this is a jobs package. So, there is an expensing provision in the Tax Code right now for small business. I just think it ought to be bigger, and I think it's a job generator.

I'll see you in a couple of days. I'm sorry. Thanks.

Q. In a couple of days?

The President. A couple of months. [Laughter]

NOTE: The President's 16th news conference began at noon in the Briefing Room at the White House.

Exchange With Reporters Prior to Discussions With Prime Minister Edouard Balladur of France

June 15, 1993

Cuba

Q. Mr. President, are you willing to talk to the Cubans about improving relations?

The President. I'm here with the Prime Minister of France. [Laughter]

Q. [Inaudible]—French about the Blair House agreement, Mr. President?

Q. [Inaudible]—Cubans' announcement today that they'd like to talk about reparations?

The President. I don't have any reaction at this time.

Trade Negotiations

Q. Do you think you can find common ground with the French about Blair House, sir? About the Blair House agreement?

The President. Well, I was very pleased to see that the oilseeds portion will go forward. But I think the rest of it we need to talk about. The United States supports the Blair House agreement.

[At this point, one group of reporters left the room, and another group entered.]

President's Schedule

Q. Mr. President, are you going to France anytime in the near future?

The President. I wish I could go in the very near future, but I suppose that depends on when I can travel again. Of course, I have

to go to the G-7 meeting in Tokyo, and that will be my first trip out of the country except for the brief visit to Vancouver with President Yeltsin. I'd very much like to go back. I haven't been in a long time.

NOTE: The exchange began at 3:35 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Remarks to the College Democrats of America

June 15, 1993

I want to thank Adam Kreisel and Jamie Harmon and Jenny Ritter for this gift and for their leadership in the College Democrats, and I want to welcome all of you here. I know I'm not the first person to speak to you. I've been over lobbying Members of Congress and being lobbied by them about various issues today, and I'm awfully glad to see all of you here.

The first time I came to these grounds was in the summer of 1963, 30 years ago next month, before virtually everybody on these steps was born, long before most of you were born. That visit made a lasting impression on me, and I hope this visit makes a lasting impression on you. I was raised at a time when mothers wanted their children to grow up to be President, and I hope there will be another time when people want their children to grow up to be President. Now there can be daughters as well as sons who can really make a difference in our future.

There is around here a wonderful old photograph of three great Democrats standing on the steps of this building together: President Franklin Roosevelt, who was then a young Assistant Secretary of the Navy, standing next to his President, Woodrow Wilson, and alongside them was William Jennings Bryan, who was then the Secretary of State in the Wilson administration during World War I. Between those 3 men, they represented 9 Democratic Presidential candidacies in 13 consecutive elections. Maybe there's magic on the steps that will rub off on some of you someday. I hope so. I hope some of you will be here.

But I also want to remind you that even though I am profoundly grateful about the help you have given to me and to the Vice President in the past election—and without the young people of this country voting in record numbers, we might not have been able to come here—I remind you that the reason for your party identification and the reason for your work in elections is to change people's lives for the better. That change is, under the best of circumstances, never easy. And after 12 years in which people have been given siren song after siren song after siren song about how evil Government is and all we have to do is just get it out of your lives and everything will go away, all the problems will go away, and every year the problems get worse and worse and worse, still people get used to being told what they want to hear. And now the President is not telling people what they want to hear.

The President is saying we have to bring down the deficit, find some money to invest in jobs and education and our future. We have to be competitive with other nations. We've got to do some tough things. We have to cut spending and raise taxes. But I have given the Congress a proposal that essentially, for every dollar of deficit reduction, takes 50 cents in spending cuts, 37 or 38 cents in taxes on people with incomes above \$100,000, and 12 cents in taxes on the middle class, and holds people with incomes of under \$30,000 harmless. It's a proposal that puts all the money into a deficit reduction trust fund. It has led to lower interest rates already. The head of the Federal Reserve was in to see me last week saying if we could just keep going and pass an economic program that will keep interest rates down, he believes there will be a significant continuation of our economic recovery.

If someone had told you in December, as you looked forward to the Inauguration of the new President and Vice President, that by June 1st, after 3 years of recession, we would be on our way to passing a budget in record time—the first budget to be seriously considered by the Congress since 1981, presented by a President—if someone had told you that by June 1st, as a result of the