

the President may grant permanent most-favored-nation (MFN) status to Romania.

This is an important milestone in U.S.-Romanian relations. Romania now joins other emerging democracies in Central Europe from which the United States has fully removed trade restrictions that originated in concerns about emigration practices during the Cold War. My approval of this bill reflects the strong U.S. support for the citizens of Romania in their efforts to overcome the legacy of decades of communist repression and to establish a full democracy based on respect for human rights, the rule of law, tolerance, and free market economics.

This legislation enjoys strong bipartisan support in the United States, and I note that the granting of permanent MFN has the support of many Romanian leaders across the political spectrum.

Romania's excellent record in respecting the right of free emigration, its considerable progress in establishing the fundamentals of a free market democracy and its strong cooperation with the United States helped facilitate passage of this bill. I am confident that Romania, as it proceeds toward integration with the Western democratic community, will continue its progress and intensify efforts to make democratic, free market reforms, develop good relations with its democratic neighbors and reach out to Romania's ethnic and religious minorities.

William J. Clinton

The White House,
August 3, 1996.

NOTE: H.R. 3161, approved August 3, was assigned Public Law No. 104-171.

Remarks on Signing the Iran and Libya Sanctions Act of 1996 and an Exchange With Reporters

August 5, 1996

The President. Good morning, ladies and gentlemen. It's good to be joined today by Senator D'Amato and Congressmen Cardin, Gejdenson, Gilman, King, and Matsui; family members of the victims of Pan Am Flight 103; and two brave Americans who suffered

the nightmare of being taken hostage in the Middle East.

We come together around the common commitment to strengthen our fight against terrorism. Terrorism has many faces, to be sure, but Iran and Libya are two of the most dangerous supporters of terrorism in the world. The Iran and Libya sanctions bill I sign today will help to deny those countries the money they need to finance international terrorism. It will limit the flow of resources necessary to obtain weapons of mass destruction. It will heighten pressure on Libya to extradite the suspects in the bombing of Pan Am Flight 103.

From the skies over Lockerbie to Khobar Towers, from the World Trade Center to Centennial Park, America has felt the pain of terrorism abroad and at home. From the Tokyo subway to the streets of Tel Aviv, we know that no nation is immune. We have not yet solved all these tragedies; we will not rest until we do so. But one thing is clear: To succeed in this battle we need to wage it together, as one America leading the community of civilized nations.

Our Nation is fighting terrorism on three fronts: first, abroad, through closer cooperation with our allies; second, at home, by giving our law enforcement officials the most powerful counterterrorism tools available; and, third, by improving security in our airports and on our airplanes. Last week in Paris, with America's leadership, the G-7 nations and Russia agreed on a sweeping set of measures to prevent terrorists from acting and to catch them when they do. We have seen that when we pool our strength we can obtain results. We will continue to press our allies to join with us in increasing the pressure on Iran and Libya to stop their support of terrorists. We already have acted ourselves, through our own sanctions, and with this legislation we are asking our allies to join with us more effectively.

With this legislation we strike hard where it counts, against those who target innocent lives and our very way of life. It shows we are fully prepared to act to restrict the funds to Iran and Libya that fuel terrorist attacks. America will not rest, and I resolve to hunt down, prosecute, and punish terrorists and to put pressure on states that support them.

The survivors of terrorism, the families of its victims who surround me, and all the American people deserve nothing less.

[At this point, the President signed the legislation.]

The President. Thank you all very much.

Extraterritorial Impact of Sanctions

Q. Mr. President, France says the Europeans will retaliate if this measure is implemented.

The President. Well, of course that's their decision to make. But every advanced country is going to have to make up its mind whether it can do business with people by day who turn around and fuel attacks on their innocent civilians by night. That's a decision that every country's going to have to make.

I will say this, I am encouraged that we are doing more with our allies than before to fight terrorism and that there is broader agreement than there has been before on specific measures. But in extreme cases where we disagree and where it is obvious that basically turning away from the implications of state support of terrorism has not worked, the United States has to act. And I can only hope that some day soon, all countries will come to realize that you simply can't do business with people by day who are killing your people by night.

Robert Dole's Tax Cut Proposal

Q. Mr. President, what do you think of Senator Dole's apparent plan to cut taxes 15 percent, 50 percent on capital gains, and so forth. Will it hurt you?

The President. Well, the most important thing is: Will it hurt the American people? And I favor targeted tax cuts for education that are paid for. I am unalterably opposed to going back to the mistake we made before in having big tax cuts that are not paid for. It will balloon the deficit, raise interest rates, and weaken the economy. That's the only thing that matters: What impact will it have on the American people?

Thank you very much. Thank you.

NOTE: The President spoke at 9:42 a.m. in the Oval Office at the White House. H.R. 3107, approved August 5, was assigned Public Law No. 104-172.

Remarks on American Security in a Changing World at George Washington University

August 5, 1996

Thank you very much. President Trachtenberg, I was in the neighborhood so I thought I'd drop by. [Laughter] Dean Harding, members of the George Washington University community, Congressman Cardin, Congressman King, Congressman Matsui, Senator McGovern, thank you for coming, sir. Delighted to see you. And by the way, thank you for writing your brave book about your daughter and for going around the country and talking about her. Thank you so much. I want to thank the family members of the victims of Pan Am Flight 103 who are here with me today, as well as two of those who were held hostage in Iran back in 1980 who are here today—and '79. Thank you for coming.

I'm pleased to be back here at George Washington, especially as you celebrate your 175th anniversary. President James Monroe signed the congressional charter establishing GW. I can only applaud his wisdom and hope that 175 years from now our administration will be associated with a similarly proud legacy. I think he would be very proud if he could see what GW has become.

Last night the centennial Olympics came to an end. It was a great Olympics for America not only because of the triumphs of our athletes but also because of the magnificent job done by the city of Atlanta and all the other hosts. But in a larger sense, it was a great event not just for Americans but for people everywhere who believe in peace and freedom, who believe in individual achievement and common effort.

I believe we love the Olympics because they work the way we think the world ought to work. They are possible because all different kinds of people come together in mutual respect and mutual acceptance of the rules of the games. No one wins by breaking their opponent's legs or by bad-mouthing their opponents in a public forum. Instead, victory comes from doing well in a good way. And all who strive are honored, as we saw when our volunteers cleared the track for the