

The President. Well, it was hard in the sense that they were all qualified. And there were two or three others I thought were exceptionally well qualified. But once I talked to her, I felt very strongly about her. This is not a negative thing on them. And as I said, out there in the crowd I had a half a dozen people come up to me and thank me for leaving Secretary Babbitt at the Interior Department. They say he's the best Interior Secretary they'd ever seen. So that was a real problem, but I like them all. I thought they were all superbly well qualified. And I think that they will be in the future.

There was no negative—it was a positive position being able to pick the person I thought would be best at this time, a purely positive choice. In that sense it was a joy to make, but not easy. You can see today from—she's an extraordinary woman. She has incredible inner strength and character. And I think it will communicate itself and really help to create a good atmosphere at the Court.

NOTE: The exchange began at 4:55 p.m. A tape was not available for verification of the content of this exchange.

The President's News Conference

June 15, 1993

Economic Program

The President. Thanks for the introduction, Wolf [Wolf Blitzer, Cable News Network]. [*Laughter*]

Good morning, ladies and gentlemen. I'd like to make a couple of opening remarks. First, let me say that this morning I had a good talk with Judge Ginsburg, complimenting her on her very moving statement yesterday. And I assured her that we were moving ahead with this confirmation process. I spoke with Senators Biden and Thurmond and Hatch and asked them to work with me to assure the speediest possible confirmation consistent with the Senate doing its duty. At any rate, I am confident that she will be ready to assume her position on the Supreme Court when the fall term begins in October.

With regard to the economy, we've had, since last Friday, very good reports on low

inflation in terms of both producer prices and consumer prices. And in a larger sense, over the last few months, we've seen a continuing reduction in long-term interest rates, which have given us a 20-year low in mortgage rates, a 7-year high in housing sales, and have mightily contributed to the introduction into this economy of 755,000 new jobs, well over 90 percent of them in the private sector.

I am confident that the continuation of this trend depends on our ability to pass a strong economic program through the Congress which reduces the deficit, increases investment in our future, and is fair in terms of requiring a fair apportionment of the burden. The plan that the House passed, that the Senate Finance Committee is now dealing with, for every \$10 that the deficit is reduced, \$5 comes from spending cuts, \$3.75 from upper income people, \$1.25 from the middle class, and families with incomes under \$30,000 are held harmless.

I hope that the principles I have outlined will be honored as this program moves through the Congress. The Senate Finance Committee has some tough decisions to make. I don't expect to agree with all of them, but I think they will produce a bill. I think the Senate will produce a bill. And then we can go on to conference and see what the final shape of the economic plan that the whole Congress will vote on will be. I'm encouraged, quite upbeat, by the reports I've received from Senator Moynihan, Senator Mitchell, and others about the progress being made there, and I just want to encourage the Senate to move forward.

Finally, let me say that the Senate is dealing with another very difficult and very important issue now, and that's campaign finance reform. I have believed for a long time that we can't get thoroughgoing economic reform in our country until we have political reform. That requires the lobby reform legislation that is moving its way through Congress but, very importantly, campaign finance reform to lower the cost of campaigns, reduce the influence of special interests and PAC's, and open the airwaves to more honest debate.

The troubling thing, obviously, is that the Republican Senators have announced that they may yet again filibuster a bill. And the thing that particularly troubles me about this one is that several Republicans voted for a bill not unlike this last year, which contained public financing. If in fact this filibuster occurs, it will be the second time that Republican Senators who voted for a piece of progressive legislation when there was a Republican in the White House have now voted against it and have filibustered it. The first was on the motor voter bill where eventually we were able to work out the problems and get a bill passed. But I think this is very, very important. And I very much hope that the Senators will reconsider and let this bill go forward. We need to pass a strong campaign finance reform bill this year. Political reform and economic reform, in my judgment, over the long run must go hand-in-hand, and time is long since past when we should have campaign finance reform.

Now having said that, I think I ought to give Brit [Brit Hume, ABC News] his follow-up. [Laughter]

Q. I hope you don't mind if I follow up on another subject, sir. In the House——

The President. You know what I'm really upset about? You got a honeymoon, and I didn't. [Laughter]

Q. Yes, sir, but you got to end it. [Laughter]

The President. Well, let's extend it then. Go ahead.

Q. The House liberals in particular, Black Caucus in particular, seem in a somewhat mutinous mood as they watch the deliberations in the Senate on your economic program. And I'm wondering, sir, what do you say to them to assure them that the tough vote they felt they cast for your program was not in vain and that you haven't really cut the rug out from under them?

The President. Well, I've not cut the rug out from under them at all. I have not agreed to any provision that the Senate Finance Committee is deliberating. There's been no agreement on any issue. I have set out principles: \$500 billion in deficit reduction; a deficit reduction trust fund for all the tax increases and spending cuts, at least \$250 bil-

lion in spending cuts, although I would like some more cuts and some less taxes. Seventy-five percent of the burden has to fall on upper income people, and we ought to keep the incentives for growth and for empowerment of the working poor and the incentives to move people from welfare to work.

Those are the things that I want to see in the final bill. And what I have assured the Black Caucus—and let me say, I have talked to, oh, probably 15 of the members in the last week or so just in that caucus and many other Members of the House—is that the principles that I outlined are still there and that we'll do our best to articulate those as the Senate deals with this bill.

But the real test will be what happens in the conference and what the final bill looks like that the House and the Senate will vote on. And again, I'm quite encouraged that we'll get a bill out that they'll feel good about. They made it clear to me what they felt most strongly about. And the two things above all were the earned-income tax credit for the working poor, which is an important part of our welfare reform incentive, and the empowerment zones for the depressed urban and rural areas.

And there are all kinds of parliamentary issues that, as you know, the Senate has to consider in all this, but I'm confident that in the end the bill that they vote on in the House to send to me for signature will have those things in it.

Domestic and Foreign Policy Decisions

Q. Mr. President, do you perceive a loss of public confidence in your Presidency because of wavering domestically and in foreign policy? And what do you plan to do about it if——

The President. No.

Q. ——there is such a thing? You don't——

The President. Well, there is no wavering. If somebody had told you at Christmastime, Helen [Helen Thomas, United Press International], that by June the 1st we'd have unemployment under 7 percent for the first time in a year and a half, 755,000 new jobs, a 20-year low in interest rates, a 7-year high

in housing sales, that the United States would have led a global effort to support Boris Yeltsin, sign the global warming treaty, I mean, the Biodiversity Treaty—that actually happened on June the 4th—pass family leave and pass the motor voter legislation, repeal the gag rule and the ban on fetal tissue research to allow more science and less politics in medical research, I'd say most people would think that was a pretty decisive record; that we would have moved this budget through the House of Representatives, sent it to the Senate—much tougher decisions than were required in the Reagan budget in 1981, on a faster track, on a faster track, I think people would have said at Christmastime, that's a pretty good and decisive record.

We haven't solved the problem in Bosnia that has plagued everybody. I concede that. The Europeans wouldn't go along with my proposed resolution. I still think they may be compelled to do that or something very near like it if they want to get anything done over there. And I think we're going forward. I like the Supreme Court judge that I picked. I don't think it shows any wavering at all on that.

Q. You don't think there is a public feeling that you're indecisive? I mean, on the—

The President. Well, all I'm telling you is—

Q. —highly touted issues, the budget, Bosnia.

The President. Let me tell you something about Bosnia. On Bosnia, I made a decision. The United Nations controls what happens in Bosnia. I cannot unilaterally lift the arms embargo. I didn't change my mind. Our allies decided that they weren't prepared to go that far at this time. They asked me to wait, and they said they would not support it. I didn't change my mind.

And as far as the budget, I don't—how can you say that? No President's budget has been taken seriously in this town for a dozen years. Three-quarters of the Republicans in the House of Representatives voted against President Bush's last budget. I sent a budget up there that passed. A budget resolution passed on time for the first time in 17 years. And we're out here fighting for these tough decisions. How could anybody say—this is the most decisive Presidency you've had in

a very long time on all the big issues that matter.

And I might say, all the heat we're getting from people is because of the decisions that have been made, not because of those that haven't.

Somalia

Q. Mr. President, since the United States began bombing in Somalia, the Pakistani peacekeepers on the ground opened fire on civilians. There have been reports that civilians have died as a result of our action. We haven't heard from you since Saturday on this subject. What is your assessment of the U.N. action there? And how much longer is the U.S. bombing going to go on?

The President. Well, the action that we took was, I think, appropriate in response to what happened, which is that Pakistani peacekeepers were ambushed and murdered. There's no question about that. The action that we took was designed to minimize as much as we possibly could any damage or any injury or any death to civilians.

What happened with the Pakistanis is in some doubt in the sense that they're saying the first time they were ambushed, they were ambushed by people who stood behind women and children and used them as a defense. And as I understand it, the U.N. is trying to get to the bottom of that. I expect them to do it and to take appropriate action and to take every appropriate step to make sure that U.N. peacekeepers do not, do not cause injury or death to innocent people in Somalia. That is the United Nations job, and the United States expects them to do it.

Q. We've also gone from being the heroes in Somalia now to apparently a feeling in the towns themselves of "Yankee, go home." I mean, are you concerned that this action is sort of becoming counterproductive?

The President. I think that on balance, I still believe that most people in the country think that we came in there, we ended starvation, we ended brutalization, we ended violence, we opened up the country again to the beginnings of civilization. I am very sorry about what happened this last week. But we cannot have a situation where one of these warlords, while everybody else is cooperating, decides that he can go out and slaughter

20 peacekeepers. And so, yes, there have been some tensions as a result of that. But we had to take appropriate action. And I hope very much that we can get back to the peacekeeping function as soon as possible.

Q. Mr. President, the attack against the peacekeepers in Somalia raises questions about the safety of U.N. forces everywhere. As you send American troops into Macedonia, how much risk are you exposing them to, and will the United States take action when U.N. peacekeepers are attacked?

The President. The United States has made it clear that we would take action if U.N. peacekeepers were attacked in Bosnia. And obviously, we're going to protect our own soldiers. I believe that the Macedonian deployment carries minimal risk and carries maximum gain in terms of the statement that we don't intend to see this conflict widen. But I think that all Americans know and have to know that whenever we send people around the world, even if they're on peacekeeping missions, there is some risk to them.

Supreme Court Nominee

Q. Mr. President, getting back to Judge Ginsburg for a moment, I know that you're familiar with her Madison lecture and her rather provocative statements about the judicial reach of *Roe versus Wade*. Can you tell me how comfortable you are with her challenge to the whole theoretical construct to that landmark ruling and whether you feel confident that she will, once on the Court, meet what you had said during the campaign was your concerns about continuing—

The President. I think if you read the lecture, she is clearly pro-choice in the sense that she believes the Government should not make that decision for the women of America. She disagrees with the rationale of the decision. I'm not sure I agree with her, as a matter of fact, on that issue, but I thought it was a very provocative and impressive argument. As a matter of fact, I have always thought that *Roe v. Wade* was the most difficult case decided in the last 25 years because it was such a difficult issue and that the Court did the best it could under the circumstances. She made a very interesting alternative suggestion, but there is no suggestion in any of her writings that she's not pro-

choice. And that was to me the important thing.

Q. Can I follow? How much did you actually discuss legal theory with her? Can you give us some sense of—

The President. I didn't discuss that with her. I'd read the writings, and they'd been widely discussed. When we talked for about an hour and a half, I talked to her a little bit and asked her about a couple of cases that she had been associated with in the business law area and a couple of the cases she fought for women's rights on, just to sort of talk about them, to get a feel for it. And we talked a little bit about one of the religious liberty cases she dealt with involving the right of a soldier to wear a yarmulke. Again, I just wanted to hear her talk about that. That whole issue of religious freedom is a very big issue in my judgment, and I wanted to hear her discuss it.

Q. Did you discuss homosexual rights with her?

The President. Not at all. It never came up.

Q. And are you at all concerned about some of her rulings in that area?

The President. No.

Space Station and Super Collider

Q. Mr. President, we understand you're about to make a decision on the future of the space station, one way you could quickly cut some Government spending. Could you let us in on your thoughts? We know there are various proposals, big, medium, little, none at all. And also the super collider, since there's a considerable amount of opposition to that as well.

The President. Well, I'll have statements on them in the very near future; if not today, in the next few days. Let me just make one comment about the space station generally. As you know, I have supported both projects in the past. The thing about the space station, first of all, that I want to say is a word of compliment to the Vest Commission that just completed its review, and not only of the space station but of the management structure of NASA and how they interrelate. And they make some very provocative and thought-provoking and, I thought, very important recommendations and suggestions

about how not only this project should be dealt with but about how NASA should operate the project and should proceed. So I have them under review.

I do think it's important to recognize that the space station offers us the potential of working with other nations and continuing our lead in a very important area and having a significant technological impact, and that in the aftermath of all the cutbacks in defense and what they mean for science and technology, it is something that we should, in my judgment, consider very carefully. Keep in mind, a lot of the people who say, "Well, I don't like the space station," or "I don't really think the super collider is the best use of our investments in physics," they may be arguing about other investments that they think ought to be made. We're talking here about reducing America's investment in space and science and technology, and that's something I think we need to think about a long time before we do.

Q. It sounds like you're going to continue—

The President. Well, wait and see what I say. I'm going to issue a very careful statement to the Congress in the next few days which will outline my position.

Supreme Court Nomination

Q. In regard to Judge Ginsburg, do you have any regrets about the process that led to her nomination—

The President. I have one big regret—

Q. —Mr. Babbitt and Mr. Breyer's names as frontrunners—

The President. First of all, I strongly dispute that I hung them out. I regret the leaks. But it's not fair to say I hung them out. Any Senator I talked to will tell you, when I called to discuss Judge Breyer, I also said, "I've got someone else I'm looking at." Anybody will tell you that. I told Bruce Babbitt the first day I called him, "I want to know if you agree to be considered, I don't know if the country can afford to lose you as Interior Secretary." The truth is—and I said this yesterday; I will say it again—I've never seen such an outpouring of support for any public official in my adult lifetime as we got for Bruce Babbitt to continue as Interior Secretary while we

work through the issues in the Northwest and deal with a lot of these other issues.

I will say again, I think Steven Breyer is superbly qualified to be on the Supreme Court. I think both of them would have been confirmed by very large margins. I have no doubt in my mind of that. I really believe that she was the best candidate at this time. I was immensely impressed with the kind of inner strength and character that she demonstrated out there in the Rose Garden yesterday, and that's why I picked her. But do I regret the fact that there were leaks and that that may have exposed them more than they would otherwise have been? I certainly do. And I'd be happy to—you know, we ought to do better with that. And if somebody's got any suggestions about how I can, I'd like to have them.

Major General Harold N. Campbell

Q. Sir, we have not had the opportunity to ask you your reaction to the derogatory remarks about you that were reportedly made by the Air Force general in Europe. How did you feel when you heard about that? And why have you tolerated it the way you have?

The President. First of all, I have not tolerated it. I have simply permitted the Air Force to handle this in the ordinary course of business, as I thought was appropriate. The Air Force is dealing with this issue. I have been fully briefed on it. I had two feelings about it, frankly. For me personally, I didn't care. People say whatever they want to say about me personally. It had no impact on me. And I thought, well, here's a guy who's served this country, and you know, so what if he doesn't like me, and he doesn't know me from Adam's off ox. So you know, he's just repeating something he's heard.

But for a general officer to say that about the Commander in Chief is a—if that happened—is a very bad thing. And so we are—the Air Force is investigating it. They're going to make a report once they have all the facts, and then there will be some action taken. But I don't think that I should personally intervene as long as the Air Force is doing what is appropriate.

Q. You say you've been briefed on the situation, and we've been told by your folks that

this would be resolved by the middle of June. We're at that point now. What have they told you so far?

The President. Just what I told you, that the Air Force felt very strongly that someone should go to Europe, find out exactly what happened, get all the facts, and take appropriate action.

Q. Have they confirmed, though, to you that he said it?

The President. I don't know if the fact-finder has come back from Europe. And I have not gotten the final report yet. All I've gotten so far is secondhand stuff.

Bosnia

Q. Mr. President, on Bosnia, could we take your earlier remarks here today to mean that you are now revisiting a tougher policy on Bosnia and that you might go back to the Europeans to sell them—try to sell them once again on bombing the Serbs?

The President. I wouldn't characterize it quite that way, but let me restate what I said before. I just want to make it clear that I don't think an unwillingness to move alone in Bosnia on arms embargo issues—and we supported bombing to support, if you will, if you remember—the position we had was that we would support the use of air power to back up a freeze of heavy artillery in place while the arms embargo was equalizing the opportunity that the sides had to work out their business. We thought that would lead, frankly, to a cease-fire and ultimately to a peace agreement.

From the beginning, even after the British and French said, "We don't want to do this right now, and we will not vote for it or support it in the United Nations," and the Russians said the same thing, they all agreed to leave the option on the table if their other efforts failed. What I want to reaffirm to you is that that is still my position. I still think that may be the only way we can get them to have a real meaningful cease-fire and a real meaningful peace agreement. And that option was never taken off the table. The British and French and the Russians never said to me flat out they would never go along. They said they thought they could do better. It seems to me that the political situation has deteriorated since then. And my position has

not changed. But I am willing to work with them to do what we can do.

NAFTA

Q. Sir, the NAFTA, the agreement with Mexico, you're going to take jobs down there and plants down—they'll leave the jobs vacant here and take the plants down there. How do you figure that they can make enough goods in Mexico at those low rates and the U.S. brought in plants—how do you figure that they can buy goods up here? We won't have anybody up here to sell—we won't have anybody up here to make goods in our plants, our plants—been gone to Mexico. We won't have anything to sell—

The President. Well, that's the argument against NAFTA, but I don't believe that will happen, and I'll tell you why.

Q. —you see it?

The President. Yes, I can see it. Look what's happened in the last 5 years. There have been any number of plants that have moved into Mexico. They can continue to do that now under the present law. The Maquilladora Line has been extended well beyond the Rio Grande River. There are lots of plants down there. But just a few years ago we had a \$5 billion trade deficit with Mexico. Now we have a \$6 billion trade surplus. Last month, they replaced Japan as the second biggest purchaser of our manufacturing products. There are over 80 million Mexicans. As their incomes go up, they will buy more from us. If we can work out an agreement with them, we will then be able to move to similar agreements with countries even farther from us but in our region in Latin America, like Argentina and Venezuela and other countries, and I believe that that will create far more jobs than it will cost. There will be some changes, but I believe that NAFTA will help us to create jobs.

Now, I promised to hear from you, and then I've got to go. Go ahead.

Economic Program

Q. On the budget, although you are committed, as you say, to a \$500 billion deficit reduction package, it appears that you seem to be giving an indirect endorsement to continuing the space station and the super-conductor collider. If that be the case, then in a final budget bill are you willing to

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