

Nomination for Ambassador to Mongolia

June 24, 1993

The President today announced his intention to nominate Donald Johnson, a career member of the Foreign Service, to be Ambassador to Mongolia.

"Donald Johnson has served our country with distinction for almost two decades in the Foreign Service," said the President. "I am pleased that he will be taking this ambassadorial post."

NOTE: A biography of the nominee was made available by the Office of the Press Secretary.

Statement on Senate Action on the Economic Program

June 25, 1993

Tonight the Senate voted for growth over gridlock by passing our plan to cut deficit spending by \$500 billion and lock the savings in a deficit reduction trust fund. By rejecting both the trickle-down economics of the 1980's and the tax-and-spend policies of the past, the Senate sent a strong signal to middle class Americans that Washington can work to create jobs, increase incomes, and spur economic growth.

When this debate began, I challenged the Senate to pass a plan that met these principles: It had to reduce the deficit by \$500 billion; it had to be balanced between spending cuts and taxes; 75 percent of those taxes had to be paid by the wealthiest 6 percent of the American people; and it had to encourage the creation of jobs and the movement of people from welfare to work. The Senate met these challenges, and that's why this vote is a victory for the American people.

I want to congratulate Senators Mitchell, Sasser, and Moynihan for their leadership, their colleagues for their courage, and the American people for demanding that the deficit come down through tough spending cuts and a tax code that asks the most from the people who have the most.

In a matter of days, I will be traveling to Japan to represent the interests of the United States in a summit with our economic competitors. Because we are acting to put our

house in order, America will go to that meeting for the first time in years in a strong position to lead the world toward growth.

Remarks on the Appointment of Kristine M. Gebbie as AIDS Policy Coordinator and an Exchange With Reporters

June 25, 1993

The President. Good morning. Thank you very much. First, let me welcome Speaker of the House and other distinguished Members of the House of Representatives here. I appreciate their coming. I understand they were able to get a little more sleep than the Senators were last night. I also want to welcome all the rest of you here.

Before I make the announcement that we're all here to witness and to be a part of, I do want to say a word about the vote that was cast early this morning in the United States Senate to pass a version of the economic plan which I presented to them, which, to be sure, was changed to some extent from the House plan but still reflected, I think, a remarkable degree of courage: \$500 billion in deficit reduction in the Senate plan, over 78 percent of the new revenues coming from people with incomes above \$200,000, real commitment to significant budget cuts that were slightly greater than the ones in the House plan, and now clearly more budget cuts than tax increases.

The most important thing is that now both Houses of Congress, under very difficult circumstances, with the same old rhetoric of the last 12 years flying at them, had the courage to try to change this country for the better. What this means is incalculable. It means we can now move on to a conference committee with a clear signal to the financial markets that its interest rates should stay down and people should be able to continue to refinance their homes and finance their businesses at lower interest rates and that for the first time in a very long time an American President can go to a meeting of the G-7 nations in a position of economic strength,

trying to lead a renewal of growth and opportunity all over the world.

So I very much appreciate that. I want to compliment Senator Mitchell, Senator Sasser, Senator Moynihan, in particular, for their leadership and the courage of the Senators who voted in the way they did, so that we can go forward.

One of the things that was in this budget that has received almost no notice is a real commitment to intensifying our efforts to deal with the AIDS crisis, even in the midst of all the budget cutbacks. One of those important efforts is the naming of a new AIDS coordinator with a higher visibility, a more important policy role, and more influence in the National Government than has been the case in the past.

It is my distinct pleasure today to announce the appointment of Kristine Gebbie as our Nation's first AIDS Policy Coordinator. This position has never existed before, but circumstances now require us to look for unprecedented remedies to an unprecedented problem.

Today, as we toil against one of the most dreaded and mysterious diseases humanity has ever known, we must redouble our Government's efforts to promote research, funding, and treatment for AIDS. The appointment of Kristine Gebbie is part of our pledge to do that. She is a proven health care leader who will bring to the administration years of experience in the AIDS field. I'm confident she'll work hard to ensure that our Nation no longer ignores an epidemic that has already claimed too many of our brothers and sisters, our parents and children, our friends and colleagues.

I'm particularly pleased that Kristine Gebbie is so committed to helping our AIDS effort, for she certainly is no stranger to the field. To begin with, she hails from the Pacific Northwest, one of our country's most progressive regions when it comes to health care. A former nurse, she became the administrator of the Oregon health division, a position she held for 11 years, and later served as the secretary of the Washington State department of health. Currently she serves as a special consultant to the Department of Health and Human Services. She's also spent a lot of her time and energy on AIDS preven-

tion. Since 1989, she's served as chair of the Centers for Disease Control Advisory Committee on the Prevention of HIV Infection. She served on the Presidential Commission on AIDS. She was for 3 years a member of the National Academy of Sciences AIDS oversight committee, and she was chair of an HIV committee of State health officials around the United States.

AIDS is terrifying. It inflicts tragedy on too many families. But ultimately, it is a disease, one we can defeat just as we have defeated polio, many forms of cancer, and other scourges in the history of our Nation. How can we do it? With commitment and courage and constancy, and with vocal and responsible leadership from our Nation's Government. Already this administration has requested a large increase in funding for AIDS research and prevention, even in the face of our severe budget cutbacks. We are now moving toward full funding of the Ryan White Comprehensive AIDS Resources Emergency Act. Our budget requested in fiscal 1994 a 78 percent increase in funding for Ryan White, an 18 percent increase for AIDS research, and a 27 percent increase for prevention.

In addition, the upcoming health care reform plan will make sure that AIDS sufferers are not victimized by unfair insurance policies when they seek treatment for their illnesses. AIDS touches all of us, and no single group should be discriminated against on the basis of this disease.

To make Government's role in AIDS more efficient, we're also taking steps to coordinate AIDS policy. On June 10th, I signed into law the National Institutes of Health Revitalization Act that establishes an AIDS research office to coordinate all the AIDS research at NIH. By now appointing an AIDS Policy Coordinator, we will ensure that one person in the White House oversees and unifies Governmentwide AIDS efforts.

Kristine Gebbie will be a full member of the Domestic Policy Council and will work closely with the Department of Health and Human Services—and I'm glad to see Secretary Shalala here today. She has my full support in coordinating policy among all the various executive branch departments.

With the dedication and leadership that she has shown and that she will bring to this effort, I believe we will be able to wage the battle against AIDS with complete resolve. I look forward to working with her as we tackle the challenges that are posed to us. I assure you this is another step in the beginning of our effort, not the end of my personal commitment. This will guarantee the kind of focus this effort has long needed.

Ms. Gebbie.

[At this point, Ms. Gebbie expressed her appreciation to the President and gave her perspective on a coordinated approach to AIDS.]

The President. Let me also say before we take a question or two, to Mr. Speaker and to Congressmen Studds and Frank and McDermott and Pelosi and Morella and to all the other Members of the Congress who have been willing to support increased efforts for AIDS in the face of these difficult budgetary times, I'm grateful for them, too. Because without the congressional support, we would not be able to make any progress, in my judgment, even with this heightened administrative effort.

Gays in the Military

Q. Mr. President, as you approach your decision on gays in the military, have you reached a conclusion about the directive that says that homosexuality is incompatible with military service? Have you decided—

The President. I have not received any such directive. And until I receive a report from the Pentagon, I have no further comment on this.

Q. Can I just ask you a broader question, then, about this?

The President. I'm not going to discuss it until I receive the report from the Pentagon. I have nothing else to say now.

AIDS

Q. Mr. President, I have a question for Ms. Gebbie, please. During the time that you served in Washington and Oregon on dealing with the AIDS epidemic, what will you bring to this job that you learned there?

Ms. Gebbie. I think one of the biggest things I learned is that people have to be able to hear each other, not just talk to each other but hear each other, and then put that

listening into effect, developing policies that work. That's a bit of a global answer, but it really has to be applied to each piece of this puzzle. And it's putting a puzzle together that's developing policy around this disease.

Terrorism

Q. Mr. President, yesterday when the news broke of the terrorist attempts at bombing various points in New York City, a lot of Americans felt an increased sense of vulnerability. I wonder if you would share with us your thoughts when you learned about it, and do you share that increased sense of vulnerability to terrorism in this country?

The President. Any free society has always some exposure to terrorism. I think what the American people should do, though, is to feel an enormous sense of pride in the aggressive work done by the New York Police Department and all the Federal authorities involved in New York. We are working aggressively on this issue. We will continue to work on it in a very tough way, and we will put whatever resources the United States has to put in to combating it.

I think one of the problems that has plagued much of the world in the 1980's is random acts of terrorism. And there is always the possibility with increasing political instability in various places of increased terrorism. But I can tell you that I view the action in New York as reassuring. And all I can tell you is that we're going to do our best to be as tough, as intolerant, as effective in dealing with these kinds of problems consistently as the local and the Federal authorities were in New York.

Economic Program

Q. Mr. President, now that the Senate has voted, can you tell us where you come down on the differences between the House and Senate bills in terms of the gasoline versus Btu tax, in terms of the level of Medicare funding, and the other differences in the bills? And can you tell us, did you win a political victory at the possible expense of your program, in making so many deals that it's just complicated the process of getting things through conference?

The President. Actually, this administration didn't make any deals. The Senate Finance Committee put together a bill that it

could get out of the Senate Finance Committee. And then the question was very much whether we would go on to conference. I think there was a great sense in the Senate that they had to go forward with the bill. There were many Senators who told me they liked the House bill better. I mean, there were divisions even in the Senate. There were a couple of Senators who indicated they would have voted for the House bill who did not vote for the Senate bill. There was all kinds of difference of opinion.

I think what happened was there was an institutional feeling there yesterday, which crystallized in the late afternoon, that the worst thing they could do is not to go forward, and that the worst thing they could do is not to break the gridlock, not to find a way to continue to push for real economic reform. And all this happened rather late last evening, and no decisions have been made. I haven't even had an ample opportunity to analyze whatever amendments were made yesterday. But this administration was not nearly as involved in the details of what came out of the Senate as was the case in the House.

I am confident that the conferees will get together, will produce a bill that in some ways is superior to both bills and will have a broader support. That's what I think will happen.

Q. Gas tax, sir?

Q. On the budget, assuming that you want the final bill to resemble your own plan as much as possible, what is your response to Senator Moynihan's observation recently when he said that he felt that directing one-third of all tax increases and spending cuts to investment would be perhaps too excessive?

The President. Well, we'll see. A lot of the Senators who came on to the bill late yesterday were holding out because the investment incentives have been cut back so much by the committee. One of the biggest hurdles was trying to convince some of the Senators that we might increase the investment incentives in the conference. So I can tell you that will be a point of continuing tension. But I expect there will be some real effort to try to get the investment and growth options back in there.

Keep in mind, reducing the deficit helps you by bringing down interest rates. But still in the end if you want to grow the economy, somebody has to invest money and create jobs and put people to work. If the unemployment rate in this country were 4 percent instead of 7 percent, we'd have far fewer problems than we do. And the stagnation worldwide of economic activity, which has been going on for some time now, is holding this country back and requires this country to make extraordinary efforts if we're going to swim against the tide and try to grow more than other nations to increase incentives to invest and create jobs and to grow this economy.

If you take investment out of part of the country as, for example, you see in California with the big cutbacks in defense, there needs to be some offsetting investment. You can't create jobs out of thin air. So I think we want to see in this economic plan two objectives: really tough deficit reduction, keeping the interest rates down, freeing up money for private sector investment, and increasing incentives by the National Government to get more investment in the economy. And I hope we see it.

Iraq

Q. Mr. President, there seems to be another standoff in Baghdad between U.N. weapons inspectors and the Iraqi Government. This is the first time this has happened on your watch. How serious is this standoff? And what, if anything, do you plan on doing about it?

The President. It's quite serious. And the United Nations—you've already heard the U.N. speak to it, and I would expect that the matter will have to be resolved one way or the other in the fairly near future. I do think that—I don't have much to add to the pronouncements that have come out of the U.N. The United States has to continue to support compliance with the U.N. resolutions as they apply to Iraq.

G-7 Summit

Q. Mr. President, you said that this is the first time that we're going to the economic summit in a position of economic strength. Another way to view that is that you had a tie vote in the Senate; that you're caught

going into conference between the demands for more social spending, more investment, and those who want more cuts; and that there's no margin for error, which is not a very strong signal of the ability to resolve this and to get anything that will pass finally both Houses——

The President. I don't think any of the people who have looked at this really believe that we won't get a bill out of the conference that will be marginally changed in ways from both the House and Senate bills that will make the bill more passable in the Senate as well as the House. For example, the House wanted basically the incentive package that was there but some less tax and some more spending cuts. That came out of the Senate. The Senate obliged the less tax and more spending cuts but did it at the expense of cutting so much of the investments out, because the energy tax had to be reduced as much as it did, not for the floor of the Senate but to get it out of the Senate Finance Committee.

Now, what will happen now is you'll see a negotiation, and they'll try to bridge those gaps. I don't think they are particularly large. I think it's quite encouraging. And if you look at the level of aggression this country has displayed in trying to do something about its economic circumstances as compared with what is going on in these other nations, the political and the economic problems, I think the United States should be very proud. It is not easy to change.

I mean, we've been on an incredible roller coaster ride for 12 years now, just sort of spending more than we're taking in and living by political rhetoric and hot air. And when you try to change, it's not easy. You know, it's the same—my daughter always says when she is giggling me a little that old line about denial being more than a river in Egypt. I mean, you know, it's not easy to change.

Thank you very much.

NOTE: The President spoke at 8:43 a.m. on the South Lawn at the White House.

Proclamation 6575—To Modify Duty-Free Treatment Under the Generalized System of Preferences and for Other Purposes

June 25, 1993

By the President of the United States of America

A Proclamation

1. Pursuant to title V of the Trade Act of 1974, as amended ("1974 Act") (19 U.S.C. 2461 *et seq.*), the President may designate specified articles provided for in the Harmonized Tariff Schedule of the United States ("HTS") as eligible for preferential tariff treatment under the Generalized System of Preferences ("GSP") when imported from designated beneficiary developing countries.

2. Pursuant to section 504(c) of the 1974 Act (19 U.S.C. 2464(c)), beneficiary developing countries, except those designated as least-developed beneficiary developing countries pursuant to section 504(c)(6) of the 1974 Act, are subject to limitations on the preferential treatment afforded under the GSP. Pursuant to section 504(c)(5) of the 1974 Act, a country that is no longer treated as a beneficiary developing country with respect to an eligible article may be redesignated as a beneficiary developing country with respect to such article if imports of such article from such country did not exceed the limitations in section 504(c)(1) (after application of paragraph (c)(2)) during the preceding calendar year. Pursuant to section 504(d)(1) of the 1974 Act (19 U.S.C. 2464(d)(1)), section 504(c)(1)(B) of the 1974 Act shall not apply with respect to any eligible article if a like or directly competitive article is not produced in the United States on January 3, 1985. Further, pursuant to section 504(d)(2) of the 1974 Act (19 U.S.C. 2464(d)(2)), the President may disregard the limitations provided in section 504(c)(1)(B) with respect to any eligible article if the appraised value of the total imports of such article into the United States during the preceding calendar year is not in excess of an amount that bears the same ratio to \$5,000,000 as the gross national product of the United States for that calendar year (as