

The President's News Conference

December 15, 1993

GATT

The President. With that introduction, ladies and gentlemen, I am pleased to announce that the United States today, as you know, concluded negotiations with over 110 other nations on the most comprehensive trade agreement in history. This agreement eliminates barriers to United States goods and services around the world. It means new opportunities, more jobs, and higher incomes. And it cements our position of leadership in the new global economy.

This GATT agreement advances the vision of economic renewal that I set out when I took the oath of office. The first task in pursuing that vision was to get our economic house in order. The economic plan which passed earlier this year has resulted in lower interest rates, lower inflation, booming home construction, and the creation of more private sector jobs in this year than in the previous 4 years, and the highest level of consumer confidence now in 17 years.

But our renewal also depends on engaging actively with other nations to boost worldwide economic growth and to open markets to our goods and services. No wealthy country in the world today can hope to increase jobs and raise incomes unless there are more customers for its goods and services. Just since the Fourth of July, our administration has taken several major steps toward that goal. First, at the Tokyo G-7 summit we secured a market opening agreement among the major economies that breathed new life into these world trade talks. In November the Congress passed the North American Free Trade Agreement, which creates the world's largest free trade area. In the first-ever meeting of the Asia Pacific economic leaders in Seattle, we strengthened our ties to the world's fastest growing region. Now, after negotiations that have spanned 7 years and three U.S. administrations, we have secured a new GATT agreement. I have said repeatedly that I would not accept a bad agreement simply for the sake of getting one. I made clear that the final product had to serve our Nation's interests.

This agreement did not accomplish everything we wanted. That has been well documented. And we must continue to fight for more open markets for entertainment, for insurance, for banking, and for other industries. But today's GATT accord does meet the test of a good agreement for three reasons.

First, this new agreement will foster more jobs and more incomes in America by fostering an export boom. At its core, it simply cuts tariffs, the taxes charged by foreign nations on American products in 8,000 different areas, on average by one-third. By sparking global growth, it is estimated that this agreement can add as much as \$100 to \$200 billion per year to our economy once it is fully phased in. It will create hundreds of thousands of good-paying American jobs.

Second, this agreement sharpens our competitive edge in areas of United States strength. Under this agreement, free and fair rules of trade will apply for the first time not only to goods but to trade in services and intellectual property. This will help us to stop other nations from discriminating against world-class American businesses in such industries as computer services, construction, engineering, and architecture. And it will crack down on piracy against the fruits of American innovation, which today is costing United States firms \$60 billion a year, about one percent of our total gross domestic products.

Finally, it does these things while preserving our ability to retaliate against unfair trade practices and our right to set strong environmental and consumer protection standards for economic activity here in the United States. That's why I believe this new GATT is good for America.

Over the coming years, we have a solemn obligation to ensure that its benefits are broadly shared among all the American people. We must ensure that working men and women have the skills, the training, the education to compete and win under these new rules. Our Nation's gains must be their gains. Next year we will be working harder on that.

Because this agreement will benefit our people and because it meets our standards of success, I've decided to notify the Congress today of my intention to sign this agree-

ment. I look forward to consulting closely with Congress and the American people about how best to put its provisions into effect.

I want to congratulate all our trade negotiators, many of whom have hardly slept in the last several days, and especially Ambassador Mickey Kantor for this historic breakthrough. The American people should know that they were well represented by people I personally observed to be tough and tireless and genuine advocates for our interests and our ideals.

All of us can be proud that at this critical moment when many nations are facing economic troubles that have caused them to turn inward, the United States has once again reached outward and has made global economic growth our cause. This year we've worked hard to put the economic interest of America's broad middle class back at the center of our foreign policy as well as our domestic policy. Not since the end of World War II has the United States pushed to completion trade agreements of such significance as NAFTA and GATT. We've shown leadership by example. We've set forth a vision for a thriving global economy. And our trading partners to their credit have also rallied to that cause.

Today's agreement caps a year of economic renewal for our Nation. It should give us added reason for confidence as we enter the new year. But it should also reinforce our determination to do better in the new year.

Helen [Helen Thomas, United Press International].

Russia

Q. Mr. President, are you concerned, as many seem to be, over the rise of ultranationalism in Russia? And do you have any bulwark against a replay of the thirties if this happens to Russia, if there is this kind of closing out and rise of what's being considered fascist—

The President. Well, let me say, of course I am concerned about some of the comments that have been made by the leader of the so-called Liberal Democratic Party in Russia. I think no American, indeed, no citizen of

the world who read such comments could fail to be concerned.

On the other hand, I think it's important to recognize that we don't have any evidence at this time that the people who voted for that party were embracing all those comments, or indeed, may have even known about them. And we don't yet know what direction the new Parliament will try to take. Am I concerned about that? Yes, I am. Do I think that this means there will be a big new dangerous direction in Russian policy? I don't think there's any evidence to support that.

Q. How about your policy?

The President. Well, because I don't know that there will be any change in Russian policy, I don't see any basis for a change in our policy at this time. On the other hand, it's something that we'll have to watch and work with. I think it calls on all of us to redouble our efforts to support the process of reform in Russia in a way that the ordinary citizens can understand will redound to their benefit.

I believe this was clearly a protest vote, fueled by people who have been in, many of them, in virtual economic free fall and who have also suffered the kind of psychological damage that comes to people when they work harder for less money or when they lose their jobs or when they don't see any better day at the end of all the change. It is a more extreme example of what you have seen in our Nation and in other nations throughout the world. Thankfully, in the West where you've seen protest votes or votes against the established order of things, they've been within much more normal channels of debate. But I think plainly we have to assume that this is primarily a protest vote. We have to watch it. We have to stand up for what we believe in. But I think we should continue to support reform in Russia.

Rita [Rita Braver, CBS News].

Q. Sir, even if it is a protest vote, what can the U.S. do, if anything, to reverse this tide? And what's to say that it isn't going to keep going in the direction of fascism?

The President. Well, first of all, some of it's being done already. I mean, I think the wide publicity being given to all the comments and statements will give you some in-

dication before too long about whether people in the street in Russia embrace the stated print positions on all the things that have been said or whether it was a protest vote.

But again let me say, keep in mind, this is the first popularly elected Parliament under a legitimate system of elections, to the best of my knowledge, that Russia has ever had. There are now two centers of democratic legitimacy in Russia, the President and the Parliament. And they will interface with one another in ways that are some predictable and some that are unpredictable. You can tell that from our experience here.

I think it's important at this moment not to overreact. I don't mean to say we shouldn't be sensitive, but I just think let's wait and see who the people are who take their seats in the Parliament and what they do and what they say.

Q. Mr. President, is Yeltsin under increasing pressure to hold the elections now before 1996? And if so, do you think he should?

The President. I don't know about that. I don't have an opinion about that. I think that's a decision for them to make.

Jim [Jim Miklaszewski, NBC News].

President's Popularity

Q. Mr. President, in recent opinion polls, your personal and job approval ratings have been on a steady and some might say significant rise, while Ross Perot's have been pretty much plummeting. I mean, what's going on here? Can you tell us?

Q. And he has a followup. [Laughter]

Q. [Inaudible]

Q. [Inaudible] Thank you very much.

The President. Either you guys are going to be really mad at him for asking the question or he has some check that I have bounced that he has a picture of. [Laughter]

Q. Can't wait for the kicker.

The President. What I think is happening is, first of all, the American people are beginning to feel—just beginning, there's a long way to go—beginning to feel some benefit of the economic changes brought on by the lower interest rates and the higher investment. I mean, when you have, like we had last month, a 19-year low in the number of people who are late paying their home mortgages and when millions of people refinance their homes in a year, when you have the

job rate picking up, those things are bound to have an effect.

Then I think we had a series of highly publicized struggles for change in the Congress that came out in favor of the position that our administration had taken. And the most visible ones lately, obviously, were NAFTA and the Brady bill. So I think those were the two reasons why. I think the American people want results and they also want an administration that will take on the tough problems and try to see them through.

Q. And Mr. Perot?

The President. I can't comment on that. You ought to ask the Vice President about that. [Laughter]

Middle East Peace Process

Q. On the Middle East, Mr. President, on the Middle East, do you think there's still hope? The date has passed—

The President. Absolutely. Absolutely.

Q. Have you talked to any of the parties?

The President. No, but I met with the Secretary of State this morning, and we talked about it. I asked him to talk to me about it, and we are still planning on going forward with our initiatives next year. It will be a major part of what we're going to do.

Thank you very much.

Health Care Reform

Q. Mr. President, on health care, a quick question on health care?

The President. One more. All right, one more, one more. [Laughter] It's Christmas, guys.

Q. It seems as if a lot of Republicans seem to be really going after the health care reform proposal as you initially advanced it, and they're saying now they don't want to compromise. Jack Kemp says that it may have started off as an iceberg; it's going to wind up ice cubes. And Cheney is now saying he's totally opposed to it. Gingrich is saying there's no room for compromising on many of the aspects of the health care reform package. How far are you willing to go in making this health care package palatable to Republicans so it won't simply be a Democratic initiative?

The President. Well, I told you what my principles were. My principles are two: uni-

versal coverage, without which you will never slow the rate of cost increase and stop the cost shifting; and a package of comprehensive benefits. I don't want to go through the whole catastrophic insurance fight that Congress had a few years ago. You all remember what happened there.

Beyond that, I'm willing to talk to them about it. But I would just point out that today the questions really should be directed to them: What is your position? We now know that there are another 2.3 million people without insurance, that number of uninsured going up steadily. How do you justify leaving in place a system that costs 40 percent more of our income than any other system in the world and does much less? What is your justification for the status quo? It is the most bureaucratic system that exists anywhere in the world, and it has not worked.

So their rhetoric, you know, I realize you can lob rhetoric that sounds very good, but I don't think that the rhetoric corresponds to the reality of the proposal. The proposal we made leaves in place the choice of doctors, gives more consumer choice to the American people than they have today, and will simplify lives for America's physicians if it passes.

So I would have to say again, I welcome this debate, and it's fine to have a debate over principles on this issue. I want to. I told you what my two were. So when they say that they want to fight us, my question back is, what's your answer to the fact that the number of uninsured Americans is going up every single day? It's going in the wrong direction. Our plan would take it in the right direction.

Thank you.

NOTE: The President's 38th news conference began at 2:10 p.m. in the Briefing Room at the White House.

Remarks on the Resignation of Les Aspin as Secretary of Defense *December 15, 1993*

Ladies and gentlemen, it is with real sadness that today I accept Secretary Aspin's request to be relieved of his duties as Secretary of Defense for personal reasons. I am very

grateful that he's agreed to remain at his post until January 20th, and beyond if necessary, so that we can plan together for the coming year and effect a smooth transition at the Pentagon.

Les has been a close adviser and a friend of mine for a long time. I have valued his wise counsel as a key member of our national security team. And I have told him that after he takes the break he's requested, I very much hope he will consider other assignments for this administration.

During a lifetime of public service in Congress, with our transition, and at the Pentagon, Les Aspin has made invaluable contributions to this Nation's defense and security. None of them have been more significant than his service as Secretary of Defense. Along with the Joint Chiefs of Staff, he has provided solid leadership for our uniformed and civilian defense personnel during a period of transition that is historic and has at times been unsettling.

He helped launch creative policy responses to the fundamental changes of this era, from the dissolution of the Soviet empire to the growing challenges of ethnic conflict and weapons proliferation. And through it all, he has led with character, with intelligence, with wisdom, and the unflappable good humor that is both his trademark and his secret weapon.

One of his most important contributions in this past year has been his efforts to help our administration relate our defense strategy in this new era and our defense spending. Under his leadership, the Pentagon conducted the first comprehensive review of our forces since the end of the cold war. This now well-known, bottom-up review has provided our Nation with a profile of this era's threats and a vision of our force structure that will guide our Nation's military for many years to come.

He's provided steady leadership for the entire defense community as it has confronted the inevitable downsizing that accompanied the end of the cold war. He acted on the recommendations of the base closure commission in a way that demonstrated equity, responsibility, and a great concern for