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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Proclamation 6636—Suspension of Entry as Immigrants and Nonimmigrants of Persons Who Formulate, Implement, or Benefit From Policies That Are Impeding the Transition to Democracy in Nigeria

December 10, 1993

By the President of the United States of America

A Proclamation

In light of the political crisis in Nigeria, I have determined that it is in the interests of the United States to restrict the entrance into the United States as immigrants and nonimmigrants of certain Nigerian nationals who formulate, implement, or benefit from policies that impede Nigeria's transition to democracy, and the immediate families of such persons.

Now, Therefore, I, William J. Clinton, by the power vested in me as President by the Constitution and the laws of the United States of America, including section 212(f) of the Immigration and Nationality Act of 1952, as amended (8 U.S.C. 1182(f)), and section 301 of title 3, United States Code, hereby find that the unrestricted immigrant and nonimmigrant entry into the United States of persons described in section 1 of this proclamation would, except as provided for in section 2 or 3 of this proclamation, be detrimental to the interests of the United States. I hereby proclaim that:

Section 1. The entry into the United States as immigrants and nonimmigrants of persons who formulate, implement, or benefit from policies that impede Nigeria's transition to democracy, and the immediate family members of such persons, is hereby suspended.

Sec. 2. Section 1 shall not apply with respect to any person otherwise covered by section 1 where entry of such persons would not be contrary to the interests of the United States.

Sec. 3. Persons covered by sections 1 and 2 shall be identified pursuant to procedures established by the Secretary of State, as authorized in section 5 below.

Sec. 4. Nothing in this proclamation shall be construed to derogate from United States Government obligations under applicable international agreements.

Sec. 5. The Secretary of State shall have responsibility to implement this proclamation pursuant to procedures the Secretary may establish.

Sec. 6. This proclamation is effective immediately and shall remain in effect until such time as the Secretary of State determines that it is no longer necessary and should be terminated.

In Witness Whereof, I have hereunto set my hand this tenth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 10:39 a.m., December 13, 1993]

NOTE: This proclamation was released by the Office of the Press Secretary on December 11, and it was published in the *Federal Register* on December 14.

The President's Radio Address

December 11, 1993

Good morning. This morning I want to talk to you about crime and violence and what we can all do about it.

On Tuesday evening in Garden City, New York, a gunman shot and killed 5 rush-hour commuters on the Long Island Railroad and wounded 20 others. On Thursday night in

California, there was a memorial service for 12-year-old Polly Klaas. She'd been kidnaped from her bedroom 2 months ago. Her little body was found last Saturday.

These tragedies are part of the epidemic of violence that has left Americans insecure on our streets, in our schools, even in our homes. The crime rate has hit every American community from our oldest cities to our smallest towns to our newest suburbs. As a suburban California woman, the mother of a 10-year-old girl, said a few days ago, ''There's no safe place to go. There's no place that's safe.''

If our Nation is to find any meaning in these tragedies, we must join together to end this epidemic of violent crime and restore the fabric of civilized life in every community. There is now some hope amidst the horror because decent people are fighting back against crime.

Just before Thanksgiving I signed the Brady bill into law. It requires a 5-day waiting period before anyone can purchase a handgun so there can be a check of someone's age, mental health, and criminal record. The Brady bill became law because you, the American people, were stronger than the gun lobby.

On Thursday, together with Attorney General Janet Reno, FBI Director Louis Freeh, and Drug Policy Coordinator Lee Brown, I met with mayors and police chiefs from 35 cities. They told me they need more police on the streets, a ban on assault weapons, and action to keep drugs and guns away from vulnerable young people. And I intend to give the folks on the front lines the resources and the support they need to win the fight against crime.

I call upon Congress when they return in January to pass promptly a strong crime bill that will put 100,000 more police officers on the street, prohibit assault weapons, and provide fundings for more boot camps for first-time offenders.

I want to put 100,000 new police officers on the streets of our communities so they can walk their beats and work with neighborhood people. Putting more police on the streets will do more to reduce crime than anything else we can do.

The ban on assault weapons and the restrictions on semiautomatics are important because they'll stop criminal gangs from being better armed than the police. And these restrictions would have prevented the gunman on the Long Island Railroad from having two 15-round clips of ammunition that enabled him to maim and kill so many people with such deadly speed. Assault weapons and 15-round clips have nothing to do with hunting or sports. They just let criminals shoot people more quickly. A recent study in one of our major cities showed that the increasing death rate among young people hit with gunshots was due almost entirely to the fact that the weapons themselves were more likely to be semiautomatic and therefore more deadly.

Boot camps have been endorsed by every major law enforcement organization in America. They give first offenders a second chance to learn some discipline. And they open more space in the prisons for hardened, violent criminals.

Now that Congress is home for the holidays, tell your Senators and Representatives to pass a strong crime bill so your family can be safer. You know, the new year begins just 3 weeks from today. I'd like to suggest a New Year's resolution for every Senator and every Representative: Let's pass the crime bill as soon as you return.

There's so much more we're doing and more we need to do. Under the leadership of Dr. Lee Brown, our Drug Policy Director and the father of community policing, we're strengthening enforcement and prevention. We're increasing the focus on hardcore users who fuel the crime and violence and the tragic waste of human lives.

Next summer in our national service program, AmeriCorps, thousands of young people will help with community policing, escort older people, and board up abandoned buildings so they can't be turned into crack houses. The young people in the Summer of Safety will be an inspiring example for Americans of all ages to work together to make our streets safer by acting on our finest values.

Let's face it, drugs and guns and violence fill a vacuum where the values of civilized life used to be. Work and family and community are the principles, the institutions, upon which the great majority of Americans are building their lives. We need to restore them and the sense of hope and discipline that will give every man and woman, every boy and girl the opportunity to become the people God intended them to be.

In recent weeks, I've spoken to leaders from the religious community and the entertainment community about the obligation we all share to fight violence with values. Last week I was proud to hear that the Inner City Broadcasting Corporation of New York, which owns five radio stations throughout the country, will no longer play songs that advocate violence or show contempt for women. And I understand that two stations in Los Angeles, KACE, owned by former Green Bay Packer Willie Davis, and KJLH, owned by Stevie Wonder, have also adopted this policy. Whether we're ministers or moviemakers, business people or broadcasters, teachers or parents, we can all set our sons and daughters on a better path in life so they can learn and love and lead decent and productive lives.

In this holiday season, as we rejoice in the love of our families and hold our children a little closer, we should also strengthen the bonds of community. We can make our neighborhoods and our nations places of shared responsibility, not random violence. The tragedies of this week remind us that there is no place to hide. The lessons of our history remind us that Americans can accomplish anything when we work together for a common purpose.

As we begin this season of celebration and rededication, let's remember the words of Theodore Roosevelt, a great President who was once a police commissioner too: "This country will not be a good place for any of us to live in, unless we make it a good place for all of us to live in."

Thanks for listening, and God bless you all.

NOTE: The President spoke at 10:06 a.m. from the Oval Office at the White House.

Statement on Organized Crime in the United States and Italy

December 12, 1993

In the ongoing struggle against the Mafia and other international crime syndicates, the United States renews its pledge of solidarity with and support for the Government and people of Italy. Organized crime is a scourge that has exacted a terrible toll in both our nations, a toll in lives ravaged by narcotics, brutalized by violence, destroyed by murder.

The Government of the United States, like the Government of Italy, is committed to fighting back, to reclaiming our streets, and to punishing those whose criminal conduct tears at the fabric of our societies and threatens the lives of our citizens. Accordingly, I am directing the Department of Justice and the Department of the Treasury to do all they can to strengthen the cooperation between American and Italian law enforcement.

As evidence of our resolve, Louis Freeh, Director of the Federal Bureau of Investigation, and Ronald K. Noble, Assistant Secretary for Enforcement in the Department of the Treasury, are in Italy this weekend for high-level meetings with Italian authorities to discuss new steps we can take to combat organized crime. Director Freeh and Assistant Secretary Noble are speaking today in Palermo on these joint law enforcement efforts. They will underscore the debt that we and all nations owe to Judge Giovanni Falcone, the courageous jurist murdered while leading the fight against the Italian Mafia, and to the scores of other brave Italians who put their lives on the line every day in the battle against organized crime.

The United States Government was pleased that we were able to assist Italy in the search for Judge Falcone's murderers. FBI laboratory experts facilitated the processing of DNA evidence at the crime scene in Sicily. Their help proved to be a crucial factor leading to the recent filing of charges against a large number of suspects.

Director Freeh is also carrying our message of commitment and cooperation to Italian law enforcement officials. Their sustained and determined assistance has helped American law enforcement officials make real and

tangible progress against the Mafia in the United States.

Letter to Congressional Leaders on Trade With Kyrgyzstan

December 9, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Kyrgyzstan to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, and particularly Kyrgyzstan's level of development and initiation of economic reforms, I have determined that it is appropriate to extend GSP benefits to Kyrgyzstan.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on December 13.

Proclamation 6635—To Amend the Generalized System of Preferences

December 9, 1993

By the President of the United States of America

A Proclamation

1. Pursuant to sections 501 and 502 of the Trade Act of 1974, as amended (19 U.S.C. 2461 and 2462) ("Trade Act"), and having due regard for the eligibility criteria set forth therein, I have determined that it is appropriate to designate Kyrgyzstan as a beneficiary developing country for purposes of the Generalized System of Preferences ("GSP").

2. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule ("HTS") the substance of the provisions of that Act, and of other acts affecting import treatment, and actions thereunder.

Now, Therefore, I, William J. Clinton, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to sections 501 and 604 of the Trade Act, do proclaim that:

(1) General note 3(c)(ii)(A) to the HTS, listing those countries whose products are eligible for benefits of the GSP, is modified by inserting "Kyrgyzstan" in alphabetical order in the enumeration of independent countries.

(2) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(3) The modifications to the HTS made by paragraph (1) of this proclamation shall be effective with respect to articles that are: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after 15 days after the date of publication of this proclamation in the *Federal Register*.

In Witness Whereof, I have hereunto set my hand this ninth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:27 p.m., December 10, 1993]

NOTE: This proclamation was released by the Office of the Press Secretary on December 13, and it was published in the *Federal Register* on December 14.

Remarks at a Conference on Entitlements in Bryn Mawr, Pennsylvania

December 13, 1993

Thank you very much. Ladies and gentlemen, it's a pleasure for me to be here. I have looked forward to this conference with great anticipation for some time. I want to thank Congresswoman Margolies-Mezvinsky for getting this together and for inviting me here. I thank President McPherson and this wonderful institution for hosting us. I'm delighted that Speaker Foley and Congressman Penny are here for the Congress, and Senator Kerrey and Senator Wofford, your own Senator, are here to talk about these important issues. I want to also thank all the people who helped to put this conference together and to all the people in our administration who were invited and are here participating. We pretty much shut the town down in Washington today and just sort of came up here to Pennsylvania to talk about entitlements.

This is a very serious subject, worthy of the kind of thoughtful attention that it will be given today. I hope there will be a great national discussion of the issues that we discuss today, and I hope that this will be the beginning of a debate that will carry through for the next several years.

I ran for President because I thought our Nation was going in the wrong direction economically and that our society was coming apart when it ought to be coming together. I wanted to work hard to create jobs and raise incomes for the vast mass of Americans and to try to bring our country back together by restoring the bonds of family and civility and community, without which we cannot hope to pass the American dream on to the students who are here at Bryn Mawr or the students who will come behind.

To do this, we must all, without regard to party or philosophy, at least agree to face the real problems of this country: 20 years of stagnant wages; 30 years of family decline, concentrated heavily among the poor; 12 years in which our debt has quadrupled, but investment in our future has lagged, leaving us with twin deficits, a massive budget deficit and a less publicized investment deficit, the gap between what we need to invest to compete and win and what we are receiving in terms of new skills and new opportunities. These things are linked. Creating jobs in growth requires that we bring down both the budget deficit and the investment deficit. High Government deficits keep interest rates high; they crowd out private demands for capital; they take more Government money to service the debt. All this tends to reduce investment, productivity, jobs, and ultimately, living standards.

The deficit increased so dramatically over the last 12 years because of things that happened on the spending side and on the revenue side. Defense increased dramatically until 1987, but it's been coming down since then quite sharply. However, the place of defense, as we'll see later, has been more than overtaken by an explosion in health care costs going up for the Government at roughly 3 times the rate of inflation. Interest on the debt is obviously increased more when interest rates were high than now, but always when the accumulated national debt goes up. And the larger number of poor people in our country has inevitably led to greater spending on programs that are targeted to the poor.

On the revenue side, the tax cut of 1981 wound up being roughly twice the percentage of our income that was originally proposed by President Reagan as the President and the Congress entered into a bidding war. And then in 1986 we adopted indexing, a principle that is clearly fair but reduced the rate of growth of Federal revenues by adjusting people's taxes downward as inflation pushed their incomes upward. And finally, a prolonged period of very slow growth has clearly reduced Government revenues and added to the deficit.

If you look at this chart, you will see that we inherited a deficit that was projected to be actually—when I took office, for the fiscal year that ended at the end of September—above $300 billion. It was obvious that it was headed upward. The blue line here is what I found when I became President. It was clear that something had to be done. I asked the Congress to pass the largest deficit reduction package in history. It had $255 billion in real enforceable spending reductions from

hundreds of programs. Now, let's make it clear what you mean.

When you hear the word spending ''reductions'' or ''cuts'' in Washington terms, it can mean two things. One is a reduction in the rate of increase in Government spending from the previous 5-year budget, which is still an increase in spending but not as much as it would have been had the new reduction not taken place. The second thing it might mean is what you mean when you say ''cut,'' which is you spend less than you did before you used the word. [*Laughter*] And it is important to know which one you're talking about. However, both are good in terms of reducing the deficit over a 5-year period. We not only reduced the rate of increase but actually adopted hundreds of cuts this year. The budget year that started on October 1st has less spending than the previous year in 342 separate accounts of the Federal budget. Adjusted for inflation, this means a discretionary spending cut of 12 percent over the next 5 years, more than was done under the previous two administrations. If this continues, according to the Wall Street Journal, then by 1998, discretionary spending—that is the nonentitlement spending and discounting interest on the debt, the things that we make decisions on every year—will be less than 7 percent of our annual income, about half the level it was in the 1960's.

In addition to the discretionary spending cuts, our budget did reduce entitlements, making reductions in agricultural subsidies, asking upper income recipients of Social Security to pay more tax on their income, lowering reimbursements to Medicare providers, making other adjustments in Medicaid and in veterans' benefits. Now, all these cuts are already on the books. We are also cutting, with the help of the Vice President's National Performance Review, over 250,000 positions from the Federal payrolls, largely by attrition and early retirement over the next 5 years. We're finally attempting to reform the system in ways that will permit us to save billions of more dollars in discretionary spending through reform of personnel budgeting and, most importantly, procurement systems, if the Congress will authorize all three of those systematic reforms.

We also passed some taxes: a modest 4.3 cents-a-gallon gas tax, which so far has been barely felt because we have the lowest price in oil in many, many years, so the price of gasoline has actually dropped since the gas tax was put on. We also asked the top 1.2 percent of Americans to pay higher income taxes because their incomes went up the most, and their taxes dropped the most in the previous 12 years. The corporate income tax on corporations with incomes above $10 million a year was raised. Middle class families will pay slightly less taxes because, again, of the adjustments for inflation. And taxes were cut for 15 million families who worked for very modest wages as a dramatic incentive to get them to continue to choose work over welfare.

When Congresswoman Mezvinsky and her colleagues voted for this economic plan, they voted for your economic future, for lower deficits, higher growth, and for better jobs. They did vote to cut spending. They did not vote to raise taxes on the middle class. And frankly, the kinds of radio ads that have been—this is the only political thing I'm going to say today but the kind of radio ads that have been run against her in this district do not serve the public interest because they do not tell the truth. If somebody wants to say that we should not have raised income taxes on the top 1.2 percent of the American people, let them advertise that on the radio. If someone wants to say that the corporate income taxes above $10 million a year in income should not have been raised, let them advertise that on the radio. If someone wants to say that the gas tax was unfair, let them advertise that on the radio. But do not try to tell the American people there were no budget cuts and they paid all the tax increases, because that is simply not true. And we have a lot of work to do in this country and a lot of honest disagreements to have; we need not expend our energy on other things.

And if you don't believe that, read the front page of the Wall Street Journal this morning. That is hardly the house organ of my administration. [*Laughter*] Read the front page of the Wall Street Journal this morning talking about the unprecedented cuts that this budget made. It does not do anybody

any good to continue to assert things about that economic plan that are not true. The markets had it figured out. That's why interest rates are down and investment is up. That's why inflation is down and more jobs have come into this economy in the last 10 months than in the previous 4 years. The markets figured it out. All the smoke and mirrors and radio ads in the world couldn't confuse the people that had to make investment decisions and read the fine print.

That's the good news. Now let's talk about the continuing problems, the real problems. The economic plan which the Congress adopted represents the red line. That's how much less the deficit will be. And the aggregate amount between these two lines is how much less our total debt will be by 1998. The yellow line represents where we can go, by conservative estimates, if the health care plan is adopted. You still have an operating deficit, and the national debt will still increase by this amount, but not by that amount.

So we are clearly better off with the economic plan. We will have to make further cuts, by the way, to meet this red line. We're not done with that. We will be better off still if we do something about health care—I'll say more about that in a minute—but there is still more to be done. The debt of this country now is over $4 billion. That means our accumulated debt is more than two-thirds our annual income. It is important that the debt, as a percentage of our annual income, go down. It is way too high, much higher than it has been outside of wartime. It is important that the annual deficit, as a percentage of our income, go down. It will go down under this plan, but we can do more to try to reduce the aggregate debt and the deficit as a percentage of our income. Both of them are too high.

Now, let's look at the next chart here. I think you all have it out in the audience. This chart just basically shows where your money goes. When you pay Federal taxes or when the Government, on your behalf, borrows money, in debt, we spend 47.4 percent in entitlements—that is what we're here to talk about today—about 21 percent on defense, it's going down, as you'll see in a minute; about 18 percent on nondefense discretionary, which is being held constant; and about 14 percent in interest on the national debt.

Let's look at the next chart now. This chart gives you an idea of which spending categories are headed in which direction. Average annual real growth—now, I want to tell you what this means. I haven't lived in Washington very long so I still use ordinary meanings for words. [*Laughter*] When you see ''real'' on a Government chart, that means adjusted for inflation. You'll never find that in a dictionary, but that is what it means. In other words, these are the numbers adjusted for inflation at a projected inflation growth of more or less 3½ percent a year. If you look at that, you see defense is going down. Frankly, we're reducing it as much as I think we responsibly can and, in fact, more than we responsibly can unless Congress will pass the procurement reform so the Defense Department can buy what it needs for our national defense at more efficient prices. But I hope that will happen. Other entitlements—we'll come to that in a minute, what those other entitlements are—they're also going down relative to inflation. That is basically the entitlements for the poor and the veterans' benefits and agriculture benefits.

Nondefense discretionary is a little under zero, as you see. That's all the investments for education, for training, for technology, for defense conversion, for you-name-it, anything for infrastructure, for roads, anything we spend money on that we have an option not to spend money on that—we'll come back to that—is going down relative to inflation. If there were no inflation numbers here, it would actually be just a tiny bit above the line, but it is functionally zero. For all practical purposes, if I want to increase the amount of money, for example, we spend on Head Start in Pennsylvania by a million dollars, we have to cut something else by a million dollars. We are not increasing the aggregate amount of this kind of discretionary spending. Net interests will go up, and again, this is adjusted for inflation, so it is continuing to rise because the amount of the debt is continuing to rise.

Social Security will go up, again, adjusted for inflation. This is the population increase, effectively, in Social Security. There aren't new benefits being added, so there will be

a couple of percent growth in population between now and 1998. So it will go up by the amount of increasing numbers of people on Social Security.

And look what happens to health entitlement. It's going up more than twice as much as Social Security, more than 3 times as much as net interest, and everything else is going down. Now that's what's happening. Let's go on to the next chart.

As the chart shows here, this is the new revenues we're getting in this year. Now, the new revenues include the tax increases that we just talked about. They're about 40 percent of that revenue growth. The rest of it's just ordinary increases in tax revenues to the Government coming from increasing employment or increasing incomes. So every year we get some revenue growth. This revenue chart is about 60 percent ordinary revenue growth, 40 percent new taxes. As you can see, the whole thing goes to deficit reduction, interest increases, and entitlement increases. That's where the money went.

Eighty percent of the new revenues, including taxes and revenue growth, went to deficit reduction and interest increases; 20 percent of it went to entitlement increases. As you can see, that does not leave a great deal of room for any kind of future investments. This is something that presumably both Senator Kerrey and Congressman Penny will talk about today. But there is, I think it's fair to say, a broad consensus in the Congress among Republicans and Democrats, among liberals and conservatives, that there are some things on which we are not spending enough money to get us to the 21st century. We have put ourselves in a box after the last—trying to work our way out of this deficit business so that we do not have the flexibility to make those kind of growth-oriented investments in the public sector. That is a dilemma. So we have two continuing dilemmas, if you will: one, we've still got a deficit and a debt problem; two, there are things which literally over 80 percent of the Congress, both parties, would agree we should invest more in that we simply cannot invest more in because of the problem we have with the budget. Could we go on now into the next chart? Let's go into the next chart.

Now, this gives you a picture of entitlement spending. And I know Alice Rivlin talked about this a little before, and she knows a lot more about it than I ever will, but I think it's worth going back over because this is an entitlements conference. So it's worth focusing on what an entitlement is and, when you hear people use that term, what they are.

So look at this. These entitlement programs are programs that provide benefits for people that have certain characteristics. People who meet the test of eligibility for the program get it, notwithstanding some previously budgeted amount for that program. That's why they're called entitlements. For example, someone who has paid into the Social Security Trust Fund along with his or her employer who is 65 becomes entitled to Social Security. You just go to the Social Security office with the documents that prove you're eligible, and you're going to get the check no matter how many other people qualify for Social Security. Since it's hard to know in advance exactly how many people will apply for benefits, Congress doesn't set aside a specific amount of money as it does for the discretionary spending programs. Instead, it simply directs to Treasury to make payments to everybody who applies and qualifies for the benefits under the laws.

There are two main kinds of entitlements. And you can just see by looking up here what they are. They are the contributory entitlements, that is, you're entitled to something because you paid into it. It's contract oriented. Social Security is a contributory entitlement. Medicare is a contributory entitlement. Federal retirement is a contributory entitlement. You did the work; you put the money aside; you get it back.

Then there are the entitlements for those in need or entitlements that are in a special category because you can't predict how much is going to be needed every year. The entitlements for those in need would include AFDC, supplemental security income, the Medicaid program, medical care for the poor. Agriculture is in a separate category. It has been treated as an entitlement partly because it's so caught up in the global economy, it's impossible to predict from year to

year how much of the support subsidies will be needed.

Now, the contributory retirements are sometimes called middle class entitlements because they benefit everybody, the middle class or, Mr. Peterson will tell you in a few minutes, the upper middle class or the wealthy. If you pay in, you get it back plus a cost of living increase. Now, the poor people's entitlement, I said, are mostly in the category of like AFDC and food stamps and Medicaid. But let me show you something about these entitlements, because most people, I think, don't know this: Social Security is 43 percent of the total; Medicare is 18 percent; Medicaid is 11 percent; Federal retirement is 8 percent; unemployment is 5 percent, obviously it goes up or down, depending on what the unemployment rate is and how long people are unemployed; food stamps are 4 percent; ''other'' is 11 percent. In the other, you have agriculture, veterans, supplemental security income, which is for lower income elderly people, and AFDC. The welfare program of this 11 percent is 2 percent. The average monthly welfare benefit in America is actually lower today, adjusted for inflation, than it was 20 years ago. The program is more expensive because there are more poor people. But I think it's quite interesting to point that out. Most people are surprised to know that the welfare budget is about 2 percent of the entitlements or about 1 percent of the overall Federal budget.

Now, the entitlement programs for the needy, as you can see, make up about 12 percent of the whole budget or about a quarter of the entitlement spending. The biggest entitlements are Social Security and Medicare. They are about 61 percent of the total. When you add Federal civilian retirement and military retirement, you've got over two-thirds of the entitlements there.

Now, I think it's important to point out, just in passing, that behind every one of these entitlements there's a person. That's why it's so controversial when they're debated in Congress. It's not just organized interest groups. There are people who believe they are literally entitled to receive something back that they paid into. It is the middle class entitlements, that have united us and brought us together, that also have the strongest constituencies and provoke the biggest controversies when we get into dealing with this. And these programs are also very important in human terms.

I just might mention, too, if you look at Medicare, before Medicare, there was a good chance that Americans, when they got older, would need charity care, would simply do without health care. Today nearly 34 million people go to see a doctor or get medical care because of the Medicare program. Social Security has changed, literally, what it means to be old. In the beginning of 1985, for the first time in our history, the percentage of our elderly people who were above the poverty line was better than the percentage of the population as a whole. In other words, the poverty rate for the elderly was lower than the poverty rate of the general population.

It is very difficult to say that this was a bad thing. That was, I argue, a good thing. We should not view this whole program, in other words, as welfare. It is not a welfare program. Does that mean that there should be no changes in it? No, it just means that we should be very sensitive about the fact that this is something that has worked. Because of these programs, we are a healthier people. We are a more unified country. We treat our elderly with greater dignity by having allowed them to earn a decent retirement and to maintain a middle class standard of living, independent of whatever their children are required to do and to make them more independent over the long run. This is a huge deal in a country where the fastest growing group of people, in percentage terms, are people over 80 years of age. This is a big deal.

Now, I recommended exposing more of the incomes of the top 10 or 12 percent of Social Security recipients, somewhere in that range, to taxation, and Congress adopted a modified version of that plan. That was an entitlements move. I thought it was an appropriate thing to do because a lot of people in upper income levels, by definition, have other sources of income, too, and will get back what they paid into Social Security plus reasonable interest growth in a reasonably

short period of time. So I thought it was fair to do that.

We recommended upper income people pay more for Medicare benefits. I think that is reasonable to do because the Medicare payment itself only covers a small percentage of the total cost of Medicare. Where I think we should draw the line, however, is in trying to have happen to the elderly middle class what is happening to the nonelderly middle class. All over the world today, and certainly in all the advanced countries of the world, the middle class is under assault. Earnings inequality has increased in the last 12 years. It is becoming very difficult for working people to sustain a middle class way of life. We are going to have to all change. We've got to change our Government policies. People are going to have to acquire much higher levels of skill and be committed to training for a lifetime. There are a lot of things that have to be done. But the general policy point, I think, is valid. We do not want to deal with a problem like the deficit which is aggravated because middle class people's incomes have stagnated by having the same sort of income stagnation for the middle class elderly.

So I think there are things we can do to deal with this. They will be discussed later. We did some things to deal with the entitlements in the last budget. But let us not say that it was a bad thing to dramatically reduce poverty among elderly people or that it is a bad thing for our consumer economy to maintain a large number of middle class people in their retirement years. That means that we have to have honest, specific, and clear discussions of this, as unencumbered as possible by these sort of rhetorical bombs flying in the air from the left and the right, just talking it through and listening to each other and asking ourselves: What will be the practical impact of proposed change A, B, or C, and will we all be more secure? Will our children and our grandchildren be better off? Will this help to stabilize and increase the middle class ballast of our society? And I think we are on the verge perhaps of having that discussion in no small measure because of this kind of conference.

Now, let's go on, and let's look at what I think the real problem in the entitlements is, is clearly the danger signal for the long run. Let's look at the next chart. As you can see, 20 years ago, health spending and entitlements, Medicare and Medicaid, 13 percent of the total; 1983, 19 percent of the total; 1993, 30 percent of the total; 2003, 43 percent of the total. Keep in mind—and this is with the number of elderly people going up like crazy, so the population of people drawing Social Security is going way up, right? And still, look at that. So clearly, that is the portion of Government spending that is out of control. That is the portion of entitlement spending that is out of control. Now let me just illustrate it by a couple more charts real quickly.

Let's go to the next one. Nondefense discretionary outlays are going down as a percent of our income. Social Security outlays as a percentage of our income is solid, stable here. It could go up some in the next century, is projected to, when all the baby boomers go in. I heard Ms. Rivlin refer to that as the President's generation. I am the oldest of the baby boomers. But still, you see, it's stable as a percentage of the gross national product. And the Congress, in 1983, after the bipartisan commission on Social Security made recommendations for fixing Social Security, attempted to keep this number stable by gradually raising the retirement from 65 to 67, by about a month a year over a prolonged period of time starting just in the next century.

Now let's go on to the last one. This chart shows you that unlike Social Security and discretionary spending, medical spending is going up like a rocket. Medicare and Medicaid have tripled since 1982. Medicare and Medicaid will soon cost more than Social Security. And next year for the first time—in large measure because Medicaid is a State-Federal matching program, so that every State has to put in money along with the Federal Government—next year, for the first time, States will spend more money on health care than education. And since I supported this—I see other present and former Governors around this table. In the 1980's we said to the National Government, ''You've got a problem with the deficit. We'll spend more on education; you do what you have to do to deal with your other problems.'' This is a very serious danger signal. If you want the

States to spend more educating people, getting children to the point where they can compete, training the work force—to have the States all of a sudden spending more on health care than education is a very serious danger signal for the distribution of responsibilities between the State and the Federal Government.

Now, we have some options. If we want to control Medicare and Medicaid spending, basically we have some options. And to be fair, again I want to say, during the 1980's under the Reagan and Bush administration, the two administrations and the United States Congress did try to cooperate on several things to control Medicare and Medicaid spending. They took total pricing controls away from hospitals and doctors. They tried to do a number of things. But what happened? If you control the price of a given product in this environment, what happens? Providers can provide more products, I mean, more of the same product, right? You increase the volume if you lower the price, and the money still goes up. That's one problem.

Secondly, poverty increased in the eighties and is continuing to increase among the poor, both the idle and the working poor, and that drives the Medicaid budget up. So controlling unit prices didn't work. The other thing you could argue that we could do is to try to control the categories within Medicare and Medicaid, basically, just spend less. In other words, even though they're entitlements, just say we are going to spend less on certain categories by both controlling volume and price. Is there a problem with that? Yes there is. What is it? Any doctor or hospital will tell you that there has been a lot of cost shifting in this health care system, and it's one of the causes of rising prices and inefficiency. Cost shifting largely occurs in two ways: when hospitals have to care for people who don't have any insurance or when they provide Government funded health care at less than their cost of providing the service, they shift the cost onto the private sector.

So we could bring this deficit down, we could do this—I want to—let's 'fess up, we could do this. We could just cut how much we're going to spend on Medicare and Medicaid, even though it's an entitlement, in terms of price per unit and volume. We can just take 'er down. But if we do that, what will happen? Those costs will be shifted by the health care providers to the people who already are providing insurance with the impact that it will be a hidden tax increase on businesses and on employees. Employees will probably see it in not getting pay raises they otherwise would have gotten. Businesses will see it in spending more on health insurance premiums and having less to reinvest in the business or to take in profits. I don't think it is a fair thing to do. That is why our administration has argued that if you really want to solve this problem, you have to go back and have comprehensive health care reform.

This is the only country in the world that doesn't find a way to solve that issue—the only advanced nation, that is, that doesn't give basic health care to all its citizens within a framework that controls costs in the public and private sector. We're spending 14.5 percent of our income on health care. Nobody else is over 10; Germany and Japan are at 9. The health outcomes of other countries are roughly similar to ours. We can't get down to where they are because we spend more on technology and more on basically costly treatments than other countries do and more on medical research. And that's fine. And we can't get down to where they do because we have more violence and higher rates of AIDS and other very expensive diseases than other countries. But we could do better. And unless we do better in an overall way, in my judgment, we are going to be in trouble.

Now, we had a nonpartisan analysis by the respected firm of Lewin-VHI last week about our health care plan. This company does research on the economics of health care for businesses, unions, consumer groups. It includes people who served in the Reagan and Bush administrations as budget and health officials. They say that our plan will reduce the deficit. We think it will reduce it even more than they will. I won't get into the details of that today. We're here to talk about entitlements. The point I want to make is I believe you don't get entitlement control, you don't get ultimate deficit control unless you do something about Medicare and Med-

icaid. I believe you don't get that done just by cutting Medicare and Medicaid unless you want to hurt the private sector. Therefore, I think we have to have some sort of health reform. That's what I believe. You have to decide if you believe that, but I think it's important.

Let me just close with this. This is the lead editorial in this morning's Washington Post. It says—on the entitlements mess—and it says as follows: "Nor have all the entitlements been badly behaved in recent years in terms of costs. The health care programs are the budget busters. By contrast Social Security costs have risen in stately fashion with population and inflation. And the costs of all the other entitlements taken together, including those that support the poor, has declined in real terms." Remember what "real" means in Washington, less than the rate of inflation. "The real Federal budget problem"—that's the normal word "real"; here they mean real like you do—"the real Federal budget problem isn't entitlements, it's health care."

So I say to you we can talk about these other entitlements, and we should. As we talk about them, let us not make our middle class squeeze problem worse than it is already. That's one of the profound problems that is driving this country. One of the reasons that Senator Wofford is in the Senate today is because of the anxieties of middle class workers in Pennsylvania.

Let us continue to work on this deficit. Let us realize the deficit is too big and the debt is much too large as a percentage of our gross national product. Let us realize that there are two problems with it. One is the deficit, and the other is we aren't investing enough. But on the entitlements issue, I would argue the real culprit is health care costs, and we can only address it if we have comprehensive health care reform.

And let me close by saying one more time, if Marge Mezvinsky hadn't voted for that budget, we wouldn't be here celebrating economic progress or talking about entitlements. We'd still be back in Washington throwing mudballs at each other. And I respect her for that, and I'm glad to be here today.

NOTE: The President spoke at 10:45 a.m. at Bryn Mawr College. In his remarks, he referred to Mary Patterson McPherson, president of Bryn Mawr College; Alice M. Rivlin, Deputy Director of the Office of Management and Budget; and Peter G. Peterson, former Secretary of Commerce and president of the Concord Coalition. A tape was not available for verification of the content of these remarks.

Remarks and an Exchange With Reporters in Bryn Mawr

December 13, 1993

Russia

The President. I'd like to, first of all, congratulate the Russian people on having their first parliamentary election—it was a clear democratic exercise throughout the country—and to say how very pleased I am that the new constitution was adopted because this now lays a foundation for a long-term—a legitimacy for democracy and for the expression of popular will that will not be solely dependent upon the occasional election for President. So I think that is also very, very good.

In terms of the results of the parliamentary elections themselves, I am informed by our people there that we don't yet really know what the results are going to be because a lot of the votes and a lot of the major areas have not been counted yet and it's not clear what the final distribution will be.

I will say this, I'm not particularly surprised by the showing of the ultranationalist party, because the Russian people have suffered a lot in the last few years. And you saw the same sort of thing happening in Poland, where there had been a lot of economic adversity. It's hard for people to go through these changes and not have a certain percentage of them vote for candidates which articulate protests most forcefully. So I wasn't particularly surprised.

I do think that it will be possible for a majority of people who favor democracy and don't favor a dramatic change of course in foreign policy for Russia to put together a coalition in the Parliament who can work

with the President and go forward. So I'm quite hopeful.

But I think in any country where ordinary people are having a hard time you're going to have some significant protest vote, including the United States.

Q. Mr. President, do you anticipate any change in your policy, American policy toward Russia in terms of aid, in terms of galvanizing the allies to somehow address this protest movement and try to diffuse it?

The President. Well, let me answer you this way. First of all, we need to wait in terms of—I anticipate no change in my policy in general terms towards Russia. I think we ought to wait and see how the votes come in, what the distribution of seats in the Parliament will be and how it all shakes out. It will be quite some time before you have a real feel for what's going to happen.

But I do think that the vote in Poland and this vote send a signal about how difficult it is to convert from that old Communist system to a market economy at a time of global recession, when the ability of any other nation or group of nations to give a big infusion of capital to provide temporary security is not there. If you look even in East Germany in the recent votes, where they've gotten a massive amount of money from West Germany, still just the transition process is extremely painful. And keep in mind all these changes, these economic and political changes, are playing out in the former Soviet Union and in Eastern Europe, the former Warsaw Pact countries, at a time of global recession when there is deep frustration and alienation among middle class voters in the wealthiest countries.

So this should not be too surprising. I think what it means is that we have to think through our approach to these nations and remember that there has to be a lot of sensitivity to the ability of ordinary working people to navigate their way through all these tough changes and at least be able to imagine how they're going to come out on top at the end. And I think that there will be a little more sensitivity to that, hopefully not just in the United States and Europe and in Japan, but also in the international organizations themselves.

GATT

Q. One of the things that people have been looking for is a way of breaking through the global recession or the GATT talks. What is your sense of where that stands now? Have they cleared away enough barriers to get an agreement by Wednesday, or are they still hung up on the audiovisual——

The President. Well, I've not received a final report today. As you know, I did quite a bit of work on it yesterday. I had a talk with Prime Minister Balladur and Prime Minister Major and Chancellor Kohl, and our folks, they're all working very hard. And the United States, I think, has certainly bent over backwards on all the issues outstanding that required us to show some flexibility. We have shown some, including in the audiovisual area and certainly in the agricultural area and some other areas.

I think it would give a big boost of confidence if we could get it done, but it's important that it be a good agreement. And I'm hopeful, but I don't know much more than I did yesterday afternoon real late. I'm hopeful, but I can't say for sure.

Russia

Q. Will the election affect, at all, your scheduled trip to Russia next month? For example, will you meet with Mr. Zhirinovsky during your visit to Moscow?

The President. I've made no decisions. I haven't even had a chance to talk about that. I had always assumed that when I went there after the parliamentary election that there would be some opportunity for me to relate to the parliamentarians as well as to the President. I believe that's something we had always assumed. But in terms of who and how and what the specifics are, there have been absolutely no discussions of that. They haven't had time yet. They've just had the election.

Thank you.

NOTE: The President spoke at 2:21 p.m. at Bryn Mawr College. A tape was not available for verification of the content of these remarks.

Message to President Arpad Goncz of Hungary on the Death of Prime Minister Jozsef Antall

December 13, 1993

Dear Mr. President:

Please accept and convey to the Hungarian people my sincere condolences on the sad occasion of Prime Minister Antall's death. The Prime Minister's passing is a loss not only for Hungary but also for democratic nations around the world.

As Hungary's first post-Communist Prime Minister, Mr. Antall will be remembered for his strong leadership and commitment to freedom during these historic times. He was a friend to the United States and an active partner in the international effort to deepen and secure democracy, stability and economic reform in Central and Eastern Europe. His loss will be greatly felt in Europe and here in the United States.

Our thoughts and prayers are with Prime Minister Antall's family and the people of Hungary at this difficult time.

Sincerely,

William J. Clinton

NOTE: An original was not available for verification of the content of this message.

Remarks at a Fundraiser for Senator Daniel Patrick Moynihan in New York City

December 13, 1993

Thank you. Thank you very much, Senator Moynihan and Liz.

You know, before I met Pat Moynihan, I actually thought I knew something about government. Now I just feel like I'm getting a grade every time I talk in front of him. [*Laughter*] It's not always a good one.

I am honored to be here with Liz and with Pat, honored by the partnership that they have kept and the faith they have kept with the American people as well as with their own family for 40 years, deeply honored to have the chance to serve as your President while Senator Moynihan is the chairman of that committee which makes a quorum if he's there and I, his messenger, are there—I'm his messenger out here. [*Laughter*]

A few months ago, when the fate of our economic plan was hanging in the balance and we didn't have a vote to spare, there were people in Washington who said, and I quote, ''The very survival of this President now rests squarely on the shoulders of Daniel Patrick Moynihan, chairman of the Senate Finance Committee.'' Thank God he didn't shake me off. [*Laughter*] We made it here tonight.

And tonight, if this were a normal time, I would come and talk about the things that we often talk about: about the new GATT round that Senator Moynihan mentioned, about the fact that the economic program we passed which was so controversial has now been largely shorn of its false myths, the front page of the Wall Street Journal today saying that they said there were no spending cuts in it, but guess what? They cut a lot of spending, they cut a lot of entitlements, they cut and cut and cut. That's the Wall Street Journal, hardly the house organ of my administration—[*laughter*]—saying that. And of course, the markets have largely spoken with lower interest rates and inflation and higher rates of investments and a 19-year low in late home mortgage payments, millions of Americans refinancing their homes, more jobs in the private sector in 10 months than in the previous 4 years. I'd like to talk all about that. I do believe that by and large our country is going back in the right direction economically. And with all of our difficulties, and Lord knows they're plenty, we are now the envy of the other advanced industrial countries. In Europe and Japan they're having far worse troubles than we are at this moment. Not that I wish that on them; if they were doing better we would be, too.

I'd like to talk about how the image I had of Senator Moynihan—and even after working with him a little bit, but before I became President—was different than reality, something I'm very sympathetic with. You know, I thought, ''Well, Moynihan has got an IQ of 300; he can't be bothered with the dirty details of practical politics. But if I hang around long enough I'll get four or five things that we can move the world with.'' And then he started wearing me out about Penn Sta-

tion and New York's Medicaid match rate, and Lord knows, there is nobody who works me worse in an old-fashioned way for his constituents than Daniel Patrick Moynihan and does a better job of it. So I could give a speech about that, you know. But tonight we have to talk about what Mr. Chairman mentioned. The Washington Monthly once described Pat Moynihan's career as one long and exhilarating assault on conventional wisdom. He told us more than a decade ago what would happen if we kept increasing spending and cutting revenues at the same time. And sure enough, we quadrupled our debt in 12 years.

A decade before its collapse, Senator Moynihan said the Soviet Union was doomed. He also wrote a very powerful prediction and later turned it into a book called ''Pandemonium,'' about what would happen when you strip the veneer of communism off those troubled lands.

But long before I ever ran for President on my platform of opportunity and personal responsibility and renewing the bonds of community in this country, he had been warning us, as you heard tonight, reading from that stirring article now 28 years old, which could have been written last week. He has been for a generation the champion of the American family, not one of those politicians who use slogans like ''family values'' to divide us but who really tried to live out those values and to find ways to vote for programs and push ideas and change actions that would help ordinary people in this State and this Nation to keep their own families together and to raise their children and to be rewarded if they worked hard and played by the rules.

I have read over and over and over again that wonderful passage which Senator Moynihan quoted to you tonight. I can tell you what most of you already know. One of the things that impresses me about it, coming as I do from the kind of family I come from, is that that passage was written 28 years ago not by a trust fund baby telling people on food stamps how to live but by a son of Hell's Kitchen, a onetime longshoreman, a person who knows what it means to see chaos and difficulty and adversity firsthand.

Here's what I think we're up against today. I believe that in every traditional way I could do a good job as your President, and the Congress could continue to support me. And notwithstanding the press reports to the contrary, it has now apparently been established that they have supported me more faithfully than they have any President in his first year in 40 years, since they've been keeping these statistics. I'm very grateful for that. We can work on increasing the growth rate. We can work on bringing the deficit down. We can work on rebuilding the training systems of our country. We can pass a new health care program, and Lord knows we need to. We can do these things. But unless, unless we face the fact that year in and year out we are losing an enormous percentage of our people to our common future and that they, in turn, are making the rest of us much more miserable and less free and less hopeful in our own lives, this country will not become what it ought to be.

I look into these places that break our collective heart, and I see the collapse of economic opportunity, the collapse of families, and the loss of supporting community institutions that used to bind up the wounds of so many individual kids in trouble in every community that had them when I was a boy. I wonder which came first. I don't think it's relevant anymore to know what was the chicken and what was the egg. I do know that back in April Senator Moynihan said that, in talking about the differences here between 1993 and 50 years before, he said, and I quote, ''In 1943 the illegitimacy rate in New York City was 3 percent. Last year it was 45 percent—a lot of poor people here in 1943.''

When Pat Moynihan wrote the article that he just quoted from a few moments ago, the illegitimacy rate among white Americans was 1 in 20, among African-Americans, was 1 in 5. Since that time, in 28 years, the rate among black Americans has tripled, the rate among white Americans has quadrupled, most all of it concentrated among people who are very poor, not very well educated, and in what I have come to call an increasingly outer class, estranged from the rest of us. If we keep going at this rate, within a decade more than half the children born in this country

will not be born into a family where there is or has been a marriage.

Now, he's been talking about this for 28 years. What else has happened in 28 years? Well, for 20 years, because of the pressures of the global economy and because of our inadequate response to them, the wages of middle class Americans have more or less been stagnant. But every year there are more and more people who are poor, people who are not working, and people who are working and still poor. And that's what I meant when I said, you take the most troubled neighborhoods in this country, most people who live in them work hard for a living, don't break the law, doing the best they can, and in some ways, are the real heroes in this country because most of them are working hard and still just barely getting by. And they deserve our honor and our respect.

But the economic opportunities that once beckoned people to our cities have long gone for many middle class people who didn't have a lot of education. When you lose both family and work, the two things that most of us organize our lives around, you create a vacuum in any society. And, as with any other vacuum, nature abhors it; it will be filled. People cannot live in total chaos. Some alternative organizations will take root. And what has happened in our country is that in places which we have permitted to be without family and work, where the community organizations have folded up tent and left behind them, where very often only the churches are there standing alone against the deluge, and the people in the social services overpowered, and the police outmanned, what happens is that gangs take root as a form of social organization and drugs take root not just as a form of self-destruction but as an economic endeavor. And then, as an enforcement mechanism, violence comes along in even greater amounts. And now, because we have permitted, by a flight of, in my view, collective insanity, even teenagers to be better armed than police in most of our big cities, you see a dramatic increase just in the last decade in the death rate of young people who are shot. Why is that? Because they're more likely to be shot by assault weapons like the kind that was used on the Long Island Railroad a few days ago. A study came out right after that horrible incident, chronicling one of our biggest cities in the Middle West, saying that 100 percent of the increase in the death rate from gunshot wounds among teenage boys was due to the use of assault weapons with rapid cartridges, so they had more bullets in their bodies. It wasn't very complicated.

So I would argue to you we have, first of all, seen a vacuum develop. It happened over a generation, and anybody that tells you it can be turned around with a lot of words or even good actions in a moment is wrong. There are good people out there now standing against the tide, doing their best. I call to your attention the article on the cover of the New York Times Sunday Magazine yesterday about that brave policeman. Gosh, I'd like to meet that guy. If you haven't read it, you ought to go read it, talking about how one person still can make a difference in restoring some sanity and safety and reinforcing values in people's lives.

And so we come, those of us who are in Washington running your business, Senator Conrad and Senator Lautenberg, Chairman Moynihan and I, we come to work every day knowing that we almost have two tasks. We've got these rational challenges: get the deficit down, get investment up, train the work force better, expand trade, do things that will work. And for most of us it will really work. But knowing that underneath that there is this erosion taking place where a lot of people are just being lost, to themselves and to the rest of us. Those kids that were singing to us up there tonight, they sang "God Bless America," they sang the national anthem, and they deserve for it to be true. They deserve for it to be true.

I don't want to get into a lot of programs tonight. We got the Brady bill done. We've got the crime bill coming up. It really does make a difference how many police are on the street if they are well trained. We have to do more on the drug front. We have to deal with health care, in part because this crime and violence is a public health problem. But I don't want to talk so much about programs. It is just to ask you to leave here tonight, if you are really going to give your money to reelect this man, which you must do because he is a national treasure, you

should leave here tonight determined to do what you can to create a political constituency to make it possible for him to make the ideas that have been popping in his mind for a generation real in the lives of our people.

In other words, what I'm asking you to do tonight is you don't have to agree that whatever we decide to do on the assault weapons ban is right around the edges, or whatever. But you should leave here tonight far more intolerant than you came here of some of the conditions which obtain in this country. Last winter Senator Moynihan wrote, and I quote, ''We have been redefining deviancy so as to exempt much conduct previously stigmatized.'' We have been, quote, to use his phrase, ''defining deviancy down,'' below the threshold of acceptability. Then he said in more blunt language, ''We're getting used to a lot of behavior that is not good for us.''

Now, just today there was a Justice Department study that says 20 percent of the students surveyed in certain schools in high crime areas carried guns to school on a regular basis, and 83 percent of juvenile offenders have used or carried guns prior to their arrest. That is just one example. We tolerate all kinds of things nobody else would put up with. Why, if we are so smart, would we tolerate, for example, having the only advanced country in the world with a health care system that spends 40 percent more than everybody else and covers fewer people and instead of spending it on pharmaceuticals or doctors or nurses, spends more and more of it on paperwork than anybody else? Why would we do that? Why do we put up with that? Why aren't we free enough to know that we have got to invest in policies that will promote work over welfare and family over solitude and community over division? We know better than this. And we have just become so callous because, basically, this country has worked pretty well for the rest of us. But I'm telling you, it's coming back on the rest of us.

Tonight before I came down here, I called and asked if those three men who had the guts to go subdue the man who did the shooting on the Long Island Railroad would come up and see me before I came down to the dinner. I just wanted to see them and talk to them and ask them how they were feeling and figure out why did these guys do this, take responsibility? Suppose the guy had gotten the clip in the gun quicker. You know, it looks now like they couldn't have been hurt. Do you think they knew that then? In the flash of an eye were they all that certain that they couldn't have been shot? I don't think so. They did something. They took responsibility. And they came from fine families. Two of them—one has four children, one has three children, the other, a younger man, brought his parents and his brother and sister. They had a lot to lose. They acted. They took responsibility. They saved lives. We ought to be proud of them.

So they started talking about how each one of them made the decision, almost simultaneously and not together, to do this. And finally they just knew it was insane not to act. And so they took some chance, and they acted. And all three of them said to me, as they looked around at their families, that they now realized how fragile this country was and how no one was safe from violence but how they all had to have an interest in what happened to everybody else. And they volunteered, they said, ''You know, Mr. President, if you're going to really try to do something about crime and violence, you think there's something we can do, call us. We'd like to help.'' In the moment of that encounter they all of a sudden realized that by a simple act of heroism, they had also come to an understanding which now imposed responsibilities on them they didn't feel before they did it.

And that's what I ask of you. Do you really like Senator Moynihan? Do you really admire him? If you really agree with all of the things that he's written, if you think the time has come to stop worrying about what you feel is politically correct and just say what you believe and try to get this country back together again and start saving these children again, then you must become more intolerant of things that we take for granted. We cannot permit this country to continue to waste the lives of a whole generation of children.

I just want to make one more point. I ran for President because I thought the country was going in the wrong direction economically and because I thought we were coming apart when we ought to be coming together.

I think we've done a good job of beginning to change economically. And I can't make us come back together all by myself. This has got to be a deal we do together. I am not giving you a bunch of negative talk. I am a congenital optimist. But I don't believe public officials serve the public interest by giving happy talk when hard news is called for or by using tough facts to divide people instead of unite them.

So in the intolerance I ask for, I ask for your intolerance of conditions, not of people. Remember those kids you heard singing tonight when you go home. There's just millions of them out there, and they're bright and good. They can do anything that they have to do to take this country into the 21st century if we can simply do what we have to do to stop some of the crazy things that we have permitted. Don't expect it to happen overnight. This family degeneration has happened over 30 years. The wages have been stagnant for 20 years. The deficit has been exploding, and investment and productive things have been declining for 12 years. We do not have to do it overnight. But we must become intolerant in a consistent way, in a compassionate way, and we must believe that what worked for so many of us will work for tomorrow's children, too. If we believe that and we act on it, then our intolerance can give our country a new birth.

Thank you, and God bless you all.

NOTE: The President spoke at 9 p.m. at the Waldorf Astoria Hotel. In his remarks, he referred to Senator Moynihan's wife, Elizabeth. A tape was not available for verification of the content of these remarks.

Remarks on Presenting the Malcolm Baldrige National Quality Awards

December 14, 1993

Thank you very much. Secretary Brown and former Secretaries of Commerce, Members of Congress, members of the Baldrige family, and the honorees and all their supporters waving the flags and the signs in the back. It's kind of nice, after all of the speeches I've given and all the crowds I have to see, those kinds of signs waved at me when I speak.

Before I present the Baldrige Award today I would like to talk just a moment about the progress of the GATT negotiations which Secretary Brown mentioned. Today the United States negotiators have achieved a breakthrough in the talks to conclude a new round in the General Agreement on Tariffs and Trade. We are now on the verge of an historic victory in our efforts to open foreign markets to American products.

I do want to make it clear, however, that the negotiations are not concluded yet. Thorny issues remained, and I have instructed our negotiators to push very hard for our objectives as they conclude the remaining details. I've made it clear that I will not accept a bad GATT but that we will not spare any effort to fight for a good one. Now the United States and the European Community are in a position to work shoulder to shoulder to push for concessions from other nations in the final hours.

The stakes are immense. This would be the single largest trade agreement ever. It writes new rules of the road for world trade well into the next century. It would cut other countries' tariffs for our goods, on average, by more than one-third. When fully phased in, it could add as much as $100 billion to $200 billion to the United States economy every year. It opens foreign markets to our manufacturing and agricultural products and for the first time covers services. It does all of this while preserving our sovereignty and especially our ability to retaliate against unfair foreign trade practices.

With NAFTA, our Nation chose to take the new world economy head on, to compete and win and not retreat. Our willingness to lead set the pace for other nations of the world. Americans have reason to be proud; we're on the way to making this world change in a way that works for us. I know that all of you join me in wishing our negotiators well and hoping that we can conclude a successful agreement. We have another day.

I'm delighted to be here in this wonderful auditorium again, the same place where we signed the historic NAFTA legislation just a few days ago. A lot of people thought that that fight would end up in defeat. But I felt

if we stuck by it, if we just kept arguing that a wealthy country can only create jobs and raise incomes by increasing the number of its customers for goods and services, in the end we would prevail. And we did, thanks in large measure to an enormous bipartisan coalition of people from all over America and to the efforts of Secretary Ron Brown who worked very hard on it as well as Mickey Kantor and so many others. I'm honored to be with you again for this happy occasion because, like NAFTA, the Malcolm Baldrige Quality Award is an important part of our effort to change the way America thinks about doing its business.

In the months since I have been in office, we've been taking all the specific actions we can to try to help our Nation adapt to the changing world we find, working to create a climate in which private enterprise can grow and prosper and put Americans back to work. From the deficit reduction program to NAFTA to addressing the credit crunch to the deregulation of high-tech exports to the successful meetings with the G–7 nations and the Asian-Pacific nations, the goal is the same: to make our people more secure in the shifting economic environment at home and abroad by allowing us to compete and to win.

With the reduction in the deficit and the other actions, we see inflation down, interest rates down, job creation up, personal income up. We see things moving in the right direction. Consumer confidence rose 18 percent in November. We've had 7 months of increased retail sales. Last month, people who were delinquent in their home mortgages were at their lowest level in 19 years. Over 5 million Americans have refinanced their homes. Millions of others have refinanced other debt. Manufacturing is expanding.

We are trying, in other words, to take care of our business in the Government so you can take care of your business: increasing productivity, creating jobs and incomes for the American people. When both of us do our part, the Government and the private sector, we're on our way to long-lasting economic growth.

Six years ago, the United States Government, in a previous administration, exercised the wisdom of establishing the Baldrige Award. In no time, because of the astounding success of its winners in taking care of their business, the award became a symbol of excellence and an inspiration for the rebirth of American competitiveness. For that, we owe a good deal to the legacy of the award's namesake. Until his untimely and tragic death in 1987, Commerce Secretary Malcolm Baldrige was a voice in urging Americans to focus on quality. His cause lives on through this award named for him. And we are honored very much to have his family here with us today.

The idea of quality took hold as American companies become more and more aware of the intense and growing competition from overseas and more and more clear in this country of ours, we could never hope to compete in America by lowering our cost of doing business, and particularly our labor costs, to the level of the poorest nations of the world. The challenge is clear: How do we learn from our competitors? How do we meet them head on? How do we learn from each other in every workplace in America? All these success stories have a common theme: Companies that listen to the needs of their customers and the ideas of their workers, companies that streamline their operations and adopt the idea of continuous improvement in products and services. It's management from the top down and from the bottom up, better known now as quality management.

Through the Baldrige Award and the principles of quality management it embraces, countless businesses have found new and stronger life. Beyond manufacturing, these principles are now beginning to be applied in fields like health care, education, and yes, believe it or not, even Government. By giving both employees and customers a say in how businesses are run, these businesses have built pride and productivity while improving management and product and services. Quality management is clearly a win-win formula. It helps businesses to do well, it beefs up our competitiveness around the world, and it helps to create jobs and to stabilize and increase incomes for our working people. This year's winners are outstanding examples of that.

I got my schooling in total quality management and what it can do when I was the Gov-

ernor of my home State of Arkansas. That's when I got to know the people at Eastman Chemical Company. On several occasions I visited their plant in Batesville, Arkansas, and I used to tell a story on the campaign trail at home, walking into a room, seeing a guy—this plant is sort of out in the country—and seeing a guy working a computer wearing cowboy boots and one of those big rodeo championship belt buckles. If you're not from the rodeo country, you've never seen one, but if you've never seen one, the first time you see one, it looks like a silver dish you might give as a wedding present to someone. [*Laughter*] Anyway, I walked into this room, and this guy had his jeans and his boots on and his big rodeo belt buckle on, listening to country music, working a computer. And he launched into a much more eloquent speech than I had ever given about the importance of raising the skills of American workers so we could provide for our families and our children and their future.

I also traveled to the headquarters of Eastman Chemical in Kingsport, Tennessee, for a closeup look at the progress they were making there. They were always a big help to me in implementing what I was trying to do at home. Indeed, Eastman Chemical loaned me one of their executives, Asa Whitaker, who worked to set up the Arkansas quality management program, which was the first State governmentwide program of its kind in the entire United States of America. Today that company is justifiably the large manufacturing winner of the Malcolm Baldrige National Quality Award for 1993.

It's a $4 billion company with almost 18,000 employees in the manufacture of chemicals, fibers, and plastics for customers around the world. Under Ernest Davenport's leadership, the company has concentrated on teamwork aimed at quality management and a relentless effort to exceed customers' expectations. It's a strategy that works. For the last 4 years, more than 70 percent of its 7,000 customers have ranked Eastman as their number one supplier.

I say, also, that my experience with this company and the quality management work we did is one of the reasons that we decided to undertake the National Performance Review of the Federal Government, under the Vice President's leadership. And in that connection, I ask all of you to help us to achieve some of the systematic reforms that we are searching for that require some approval from the Congress, especially the reform of the personnel, the budgeting, and most importantly, the procurement systems of the Government. We could save a lot more money and increase our productivity if we were free to do that.

Chuck Roberts, the vice president of Ames Rubber Corporation of Hamburg, New Jersey, said there are probably more people in this auditorium today than all the people who work at Ames. Now, when I read this, I found myself up here when Ron Brown was speaking trying to count the number of people in the auditorium. [*Laughter*] Four hundred and fifty people work at Ames, and I think there are at least 100 more than that here today. But it's quality and not quantity that's being measured. Still, even with 450 employees, Ames is the largest manufacturer in the world of rollers for mid- to large-size copiers. It's the small business winner of this year's Baldrige Award. At Ames, it's not unusual to find second- and third-generation employees with the company. The atmosphere is like family and like a team. Workers even call each other teammates. Every worker belongs to at least one of 40 company groups dedicated to quality improvement. The impact of these groups collectively has been dramatic. Since 1989, it's increased productivity by 48 percent. And in the last 5 years, teammate ideas have saved the company and its customers more than $3 million. As a small producer in a large industry, Ames president and chief executive officer Joel Marvil, has made his company a model in applying quality management.

One thing that distinguishes these two companies is that both have expanded the idea of partnership between companies and suppliers, between workers and managers, even partnership with the environment. Both these companies have been industry leaders in environmental safety, and their success has further proved that the choice between growth and the environment is a false one. In the end, we must find a way to have both.

In our Nation, we know we have the brightest managers, the best workers, and the

most advanced technologies. But we also have to prove that we can all put it together in ways that lead to increasing productivity, increasing jobs, and increasing incomes. I couldn't help thinking as I was reviewing the history of those of you who are winning this award today that if more American companies operated like you do, there would be much less anxiety when we have to make changes, like we did when we had to decide what to do about NAFTA, because a lot of opposition to NAFTA really had nothing to do with the terms of the agreement but instead had to do with the incredible anxiety that working people felt that their jobs and their incomes and their families weren't really all that important to their employers and that if there was some sort of short-term advantage to be gained by a company, even if it led to the long-term damage to their families, that the advantage would be chosen over the family.

When you look at the long-term productivity of the kinds of companies that are really proving that you can make good money in America by using new partnerships with your workers, you see a level of security and trust and almost fanatic devotion to the cause of the enterprise, that if we had it everywhere, it would be much easier for America to take the steps we need to broaden our horizons, to reach out to other countries, to increase trade. So I thank you for that, and I hope other companies will follow your example because we need more people at work, happy, secure, and supporting the objectives that you have supported.

Make no mistake about it, the winners of the Baldrige Award have done a great service for America, and they have done a service that only the private sector can provide in this great capitalist economy. This is a free enterprise system. Government has responsibilities to set a framework, to promote growth policy, to do those things which cannot be done in the private sector. But in the end we rise or fall economically based on whether our system is working for the benefit of the people that labor in it day in and day out. And given the fact that so much of our security today and in the future is a question of our economic security and our ability to compete and win, I think it is nowhere near an overstatement to say that these two companies, Ames Rubber and Eastman Chemical, have done a great service not just to themselves, their employees, and their customers but to the United States. And we congratulate them today.

Thank you very much.

NOTE: The President spoke at 10:35 a.m. at the Mellon Auditorium.

Exchange With Reporters Following the Malcolm Baldrige National Quality Awards Ceremony

December 14, 1993

GATT

Q. Mr. President, are you disappointed about audiovisuals in the GATT?

The President. Well, I'm disappointed we didn't get it resolved, but I sure wanted it out of there once I realized—I didn't want to settle for a bad deal. So we took it out, and now it will be subject to the ordinary trade rules. I think it's far better than accepting what was offered. And no one I knew, including the people in the audiovisual industry, thought it was worth bringing the whole thing down over. They just didn't want to get stuck with a bad deal. In other words, if we could get it out, which we did, as Americans, they want our country to benefit from these overall big reductions in tariffs. But they just didn't want to get trapped into something that wasn't good. So I think we're in pretty good shape.

Russia

Q. Mr. President, now that you have had another day to think about the Russian election results——

The President. Well, obviously—no, I haven't talked to anybody about my trip to Russia—any of our people. So I don't know what I'm going to do there. I think that it is—I'll say just what I said yesterday—I think it was probably largely a protest vote. I think that when people are having a tough time and they have a tough time over a long period of years, they often look for simple answers. It's not unique to Russia. You can see that

in many other democracies throughout the world and throughout history. It's not all that unusual. I don't think any of us expect to be giving up Alaska any time soon. But I think, there must be a lot of people in Russia who are extremely frustrated and have a high level of anger because they've been through a lot of tough times.

And the people running the multinational institutions that are trying to help these countries convert from old-line Communist, top-down, command-and-control economies to market economies need to be very sensitive to that. I think we need to ask ourselves not so much about him right now, but about what this means for democracy in Russia, in Poland, and in other republics of the former Soviet Union and the other countries of Eastern Europe. And I'll have more to say about that as we go along.

Q. Would you rule out——

The President. Look, I have talked to nobody about anything. I can't even comment on that. I have not discussed my trip. We have not—except in general terms with my own staff. We've been working on other things. I have not had time to even think about it.

NOTE: The exchange began at approximately 11 a.m. at the Mellon Auditorium. A tape was not available for verification of the content of this exchange.

Executive Order 12885—Amendment to Executive Order No. 12829

December 14, 1993

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the time to issue the National Industrial Security Program Operating Manual, it is hereby ordered that Executive Order No. 12829, which is entitled ''National Industrial Security Program,'' is amended as follows:

Section 1. Section 201(f) of Executive Order No. 12829 is amended to read: ''The Manual shall be issued to correspond as closely as possible to pertinent decisions of the Secretary of Defense and the Director of Central Intelligence made pursuant to the recommendations of the Joint Security Review Commission and to revisions to the security classification system that result from Presidential Review Directive 29, but in any event no later than June 30, 1994.''

Sec. 2. This order shall be effective immediately.

William J. Clinton

The White House,
December 14, 1993.

[Filed with the Office of the Federal Register, 10:56 a.m., December 15, 1993]

NOTE: This Executive order was published in the *Federal Register* on December 16.

Appointment of Chair of the Commission on Immigration Reform

December 14, 1993

The President today appointed former Texas Congresswoman Barbara Jordan to chair the Commission on Immigration Reform. The nine member Commission was created by Congress in 1990 to evaluate the impact of the recent changes in immigration policy and to recommend further changes that might be necessary by September 30, 1994, and again by September 30, 1997.

''I have chosen Barbara Jordan, one of the most well respected people in America, to chair this Commission because immigration is one of the most important and complex issues facing our country today,'' said the President. ''I am confident that Congresswoman Jordan will use her prodigious talents to thoughtfully address the challenges posed by immigration reform, balance the variety of competing interests, and recommend policies that will be in our country's best interests.''

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

Appointment of Special Assistant to the President and Deputy Press Secretary

December 14, 1993

The President announced today that he has appointed Ginny Terzano to be Special Assistant to the President and Deputy White House Press Secretary. The appointment is effective January 1.

"The perspective that comes with Ginny's experience in the media and as a spokeswoman will make her a strong addition to our communications team," said the President. "I look forward to her joining us here at the White House."

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

Proclamation 6639—National Firefighters Day, 1993

December 14, 1993

By the President of the United States of America

A Proclamation

This year our Nation's firefighters will respond to more than 2,300,000 fires and 8,700,000 additional emergencies. They will, as they do every year, save thousands of lives and millions of dollars worth of property through their dedicated efforts. Their job is, by far, one of the Nation's most dangerous, and their sacrifices are many.

In an average year, 110 firefighters are killed in the line of duty. Fully 50 percent of all firefighters are injured in valiant service each year. Although the work of these brave men and women is not often adequately recognized, they are quite often the very first people we can expect to respond—day or night—when the safety of our lives or our homes is in jeopardy.

At a time when our Nation is rededicating itself to the idea of caring for others, it is important that we recognize those who daily risk—and sometimes forfeit—their lives to help their fellow Americans. Our Nation offers special thanks to its firefighters on December 15th, "National Firefighters Day." Let this be a day to remember the men and women who protect us and who have given their lives in the line of duty. They all are heroes. By honoring them, we pay special tribute to the spirit of community and unselfishness that is such an integral part of their character. Firefighters are inspirational examples for all of us and are worthy of our highest praise for their tireless devotion to fulfilling their sacred responsibilities to society.

Let us also thank the generous members of the many organizations that constantly work toward the mutual goals of firefighter health and safety.

To enhance public awareness of the courage and supreme devotion of our Nation's firefighters, the Congress, by House Joint Resolution 272, has designated December 15, 1993, as National Firefighters Day, and has authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim December 15, 1993, as National Firefighters Day. I call upon all public officials and the people of the United States to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this fourteenth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 2:01 p.m., December 15, 1993]

NOTE: This proclamation was released by the Office of the Press Secretary on December 15, and it was published in the *Federal Register* on December 17.

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

the communities and the families that were hit hard by the closure of our military facilities. And as we've reduced our force levels, he's been the first to voice concerns for the men and women in uniform who shoulder the burden of our national security.

His leadership has also been invaluable in helping our country to adapt to our military social changes. He led the way in our efforts to open the doors for women to serve our Nation in combat roles and helped to ensure more equitable rules toward homosexuals in our military. He's provided creative leadership as he's mobilized the Pentagon to develop new and stronger responses to the many security challenges of this new era, such as his new counterproliferation initiative. And on a range of tough decisions and tough challenges abroad, from Bosnia to Korea, he has called them as he saw them, bringing to bear a lifetime of experience and dedication and a razor-sharp mind to our Nation's security interest.

Above all, Secretary Aspin has provided deep strategic thinking and leadership at a time of profound change in this world. As a result, when our citizens go to bed tonight, we can do so secure in the knowledge that our Nation is building the right forces and acquiring the right capabilities for this new era.

I will always appreciate the thoughtful and dedicated and ultimately selfless service that Les Aspin provided to me and to this Nation over this last year. I asked a lot of him, tough times and tough problems. He gave even more to me, to our military, and to our country than was asked, and I will always be very, very grateful.

Thank you.

NOTE: The President spoke at 5:21 p.m. in the Oval Office at the White House.

Letter Accepting the Resignation of Les Aspin as Secretary of Defense

December 15, 1993

Dear Les:

It is with deep sadness that I accept your request that, for personal reasons, you be relieved of your duties after your years of intense, unselfish and extraordinarily effective service to our nation and its security. I am grateful that you are prepared to remain at your post through January 20, or beyond if necessary, as we work through the immediate issues before us and as we manage a smooth transition to your successor.

I hope that after you have taken the break you have requested, you will consider other important assignments that you would find challenging and personally rewarding.

I am proud of your accomplishments over the past year, and you should be, as well. In the Congress, in the campaign and as Secretary of Defense, you have been an effective leader in efforts to harness together our defense strategy and defense resources, culminating in this year's Bottom Up Review. Together with the Joint Chiefs of Staff, you skillfully managed difficult issues—such as the military service of homosexuals and women in combat—that could have proved both deeply divisive and damaging to our military effectiveness and readiness. You helped conduct the first review of our nuclear posture since the end of the Cold War and advanced a new counter proliferation strategy. And you helped in the distinguished appointment of a new Chairman of the Joint Chiefs of Staff, General John Shalikashvili.

All of this took skill and hard work, and all Americans are in your debt for it.

I look forward to urging you once again to bring your great skills and deep devotion to your country's service.

With admiration,

Bill Clinton

Dear Mr. President,

It has been one year since you asked me to serve as your Secretary of Defense. It has been an honor for me to work with you as we have reshaped our country's military to protect Americans in a vastly changed world.

I am proud of the progress we have made in dealing with these changes. We now have a clear strategic sense of the new dangers we now face. After a year's work we will be able to secure our country against these new dangers with a Bottom Up Force. By strategically defining the strengths we need and hon-

estly projecting how much this force will cost, we have also built a new consensus to invest what is necessary to underwrite this Bottom Up Force. As a result we have moved for the first time in fifteen years away from the polarizing debates about how much we should spend on defense and worked together to build the military strengths we know we need. This has helped end the gridlock that for years kept us from governing and from concentrating on our agenda at home.

We have also worked together with our uniformed military leadership to find common ground on some difficult social issues that were avoided in the past and which could have divided our military. So we can now ensure that we will have a ready to fight force without the continuing distractions of these controversies.

As you know, dealing with these changes have made it a tough year for us all—tough issues, tough calls.

I share your pride in the progress we have made. But now, as we have discussed on previous occasions, I ask you to relieve me of the duty as your Secretary of Defense on January 20. I ask this for quite personal reasons. I have been working continually for over two decades to help build a strong American military. It's time now for me to take a break and undertake a new kind of work.

Of course, I pledge my every effort to support you and my successor in a smooth and orderly transition. You can continue to draw on one of the strongest and most talented senior management teams the Department of Defense has ever seen. Bill Perry and General Shali will give you a continuity of leadership as my successor works with the Senate to assume office.

Finally, I want to thank you for the honor of serving you and our country. You are a great Commander-In-Chief. I know that while you are our President our country will grow in all of its strengths, Americans will continue to be secure, our men and women in uniform will always be honored, and we will be true to our best values as a people.

Sincerely,

Les Aspin

NOTE: These letters were made available by the Office of the Press Secretary on December 15 but were not issued as White House press releases.

Proclamation 6640—Modification of Import Limitations on Certain Dairy Products

December 15, 1993

By the President of the United States of America

A Proclamation

1. Quantitative limitations on imports of certain dairy products established pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 624) (the "Act"), are set forth in subchapter IV of chapter 99 of the Harmonized Tariff Schedule of the United States ("HTS").

2. In accordance with section 22 of the Act, the Secretary of Agriculture advised the President that he has reason to believe that changed circumstances exist with respect to the product coverage of the import quota for malted milk and articles of milk or cream, and that changed circumstances exist with respect to the import quota licensing requirement for dried cream and for malted milk and articles of milk or cream. The Secretary further advised that circumstances exist that require restoration of the quota treatment for margarine cheese that existed prior to the conversion of the Tariff Schedules of the United States to the HTS. Furthermore, the Secretary advised that circumstances exist that require that U.S. Note 3(a)(iii) to subchapter IV of chapter 99 of the HTS be clarified with respect to the term "other" countries as it appears in the subheadings subject to the provisions of such note.

3. Based upon this advice, the President directed the United States International Trade Commission (the "Commission") to initiate an investigation under section 22(d) of the Act (7 U.S.C. 624(d)) to determine whether the HTS should be modified with respect to: (a) the exclusion of cajeta not made from cow's milk, provided for in subheading 1901.90.30 of the HTS, from the quota on malted milk and articles of milk or

cream; (b) the exclusion of inedible dried milk powders used for calibrating infrared milk analyzers, provided for in subheading 0404.90.20 of the HTS, from the quota on malted milk and articles of milk or cream; (c) the inclusion of margarine cheese, provided for in subheading 1901.90.30 of the HTS, under the quota for low-fat cheese, and the exclusion of margarine cheese from the quota on malted milk and articles of milk or cream; (d) the elimination of the import quota licensing requirement for dried cream and malted milk and articles of milk or cream; and (e) the modification of U.S. Note 3(a)(iii) to subchapter IV of chapter 99 of the HTS to clarify the term ''other'' countries as it appears in the subheadings subject to the provisions of such note.

4. After reviewing the facts and taking into account the report of the Commission based upon the investigation which it conducted, I have determined that the circumstances which required that cajeta not made from cow's milk and inedible dried milk powder used for calibrating infrared milk analyzers be included in the coverage of the quota for malted milk and articles of milk or cream no long exist. I have also determined that changed circumstances exist which require the elimination of the import quota licensing requirement for dried cream and for malted milk and articles of milk or cream. Furthermore, I have determined that changed circumstances exist which require that the HTS be modified with respect to the quota classification of margarine cheese, and that require the modification of U.S. Note 3(a)(iii) to subchapter IV of chapter 99 of the HTS to clarify the term ''other'' countries as it appears in the subheadings subject to the provisions of such note.

5. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), confers authority upon the President to embody in the HTS the substance of relevant provisions of that Act, of other Acts affecting import treatment, and of actions taken thereunder.

Now, Therefore, I, William J. Clinton, President of the United States of America, acting under authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 22 of the Agricultural Adjustment Act of 1933, as amended, and section 604 of the Trade Act of 1974, as amended, do hereby proclaim that:

(1) The HTS is modified as provided in the annex to this proclamation.

(2) The modifications made by this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on and after the date of publication of this proclamation in the *Federal Register*.

In Witness Whereof, I have hereunto set my hand this fifteenth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:41 p.m., December 15, 1993]

NOTE: This proclamation and its annex were published in the *Federal Register* on December 17.

Proclamation 6641—To Implement the North American Free Trade Agreement, and for Other Purposes

December 15, 1993

By the President of the United States of America

A Proclamation

1. On December 17, 1992, the President entered into the North American Free Trade Agreement (''the NAFTA''). The NAFTA was approved by the Congress in section 101(a) of the North American Free Trade Agreement Implementation Act (''the NAFTA Implementation Act'') (Public Law 103–182, 107 Stat. 2057).

2. Section 201 of the NAFTA Implementation Act authorizes the President to proclaim such modifications or continuation of any duty, such continuation of duty-free or excise treatment, or such additional duties, as the President determines to be necessary or appropriate to carry out Articles 302 (including the schedule of United States duty reductions with respect to originating goods set forth or incorporated in Annex 302.2 to the

NAFTA), 305, 307, 308, and 703 of the NAFTA and enumerated Annexes thereto, and to accord the preferential tariff and other customs treatment provided in the NAFTA for certain other goods.

3. Sections 202 and 321 of the NAFTA Implementation Act provide certain rules for determining whether goods originate in the territory of a NAFTA party and thus are eligible for the tariff and certain other treatment contemplated under the NAFTA. I have decided that it is necessary to include these rules of origin, together with particular rules applicable to certain other goods, in the Harmonized Tariff Schedule of the United States (''the HTS'').

4. Pursuant to section 466 of the Tariff Act of 1930, as amended (19 U.S.C. 1466), the rate of duty imposed on equipments, or any part thereof, including boats, purchased for, or the repair parts or the materials to be used, or the expenses of repairs made in a foreign country upon a U.S.-documented vessel at its first arrival in any port of the United States is 50 percent ad valorem. Such duty does not apply to the cost of repair parts, materials, or expenses of repairs in a foreign country upon U.S. civil aircraft, as defined in general note 6 to the HTS (as redesignated by Annex I to this proclamation). I have determined that it is necessary or appropriate to continue the duty treatment previously proclaimed for such equipments, or any part thereof, originating in the territory of Canada and the expenses of repairs made in the territory of Canada upon U.S.-documented vessels (other than civil aircraft), as set forth in Annex 307.1 to the NAFTA. I have further determined that it is necessary or appropriate to provide for staged reductions in the rate of duty on such equipments, or any part thereof, originating in the territory of Mexico and the expenses of repairs made in the territory of Mexico upon U.S.-documented vessels (other than civil aircraft), as set forth in Annex 307.1 to the NAFTA.

5. Pursuant to section 201(a)(2) of the NAFTA Implementation Act, Mexico is to be removed from the enumeration of designated beneficiary developing countries eligible for the benefits of the Generalized System of Preferences (''GSP''). This action must be reflected in the HTS. Further, pursuant to section 504(c) of the Trade Act of 1974 (''the 1974 Act'') (19 U.S.C. 2464(c)), I have determined that certain preferential tariff treatment previously afforded to other designated beneficiary developing countries for purposes of the GSP should be continued in the HTS provisions established by Annex II to this proclamation, and that other technical and conforming changes are necessary to reflect that Mexico is no longer eligible to receive benefits of the GSP.

6. Section 4 of the United States-Israel Free Trade Area Implementation Act of 1985 (''the Israel FTA Implementation Act'') (19 U.S.C. 2112 note) and Presidential Proclamation No. 5365 of August 30, 1985, implemented reduced duties for products of Israel. I have determined that the duty-free treatment previously proclaimed for goods covered by provisions of the former Tariff Schedules of the United States enumerated in Annex X to Presidential Proclamation No. 5365 should be reflected in the pertinent HTS provisions as of the date provided in such Annex.

7. Section 681(b)(1) of the NAFTA Implementation Act provides for a new ''Note 4'' to be added to chapter 86 of the HTS. Pursuant to the International Convention on the Harmonized Commodity Description and Coding System (''the Harmonized System''), approved by the Congress in section 1203 of the Omnibus Trade and Competitiveness Act of 1988 (''the 1988 Act'') (19 U.S.C. 3003), the provisions designated as ''Notes'' in chapters 1 through 97 of the HTS reflect the corresponding provisions of the Harmonized System, while the designation ''Additional U.S. Note'' is given to any provision in such a chapter that is of U.S. origin. Accordingly, pursuant to section 1204 of the 1988 Act (19 U.S.C. 3004), I have decided that it is appropriate to insert in chapter 86 of the HTS as ''Additional U.S. Note 1'' the new note enacted in such section 681(b)(1) of the NAFTA Implementation Act.

8. Pursuant to section 1102(a) of the 1988 Act (19 U.S.C. 2902(a)), on December 5, 1988, the United States entered into a trade agreement providing for the reduction of rates of duty applicable to imports of certain tropical products. This trade agreement with

other contracting parties to the General Agreement on Tariffs and Trade (61 Stat. (parts 5 and 6)), as amended, committed the United States to make, on a provisional basis, temporary tariff reductions on enumerated tropical products. Such tariff reductions were accorded by Presidential Proclamation No. 6030 of September 28, 1989, effective through December 31, 1992, and were subsequently extended through December 31, 1993, by Presidential Proclamation No. 6515 of December 16, 1992.

9. Pursuant to section 1102 of the 1988 Act (19 U.S.C. 2902), I have determined that the modification or continuance of existing duties is required or appropriate to carry out the trade agreement on tropical products. Accordingly, I have decided to extend the effective period of the temporary duty reductions on such enumerated tropical products, as set forth in heading 9903.10.01 through 9903.10.42, inclusive, of the HTS, through December 31, 1994.

10. Section 604 of the 1974 Act (19 U.S.C. 2483), as amended, confers authority upon the President to embody in the HTS the substance of relevant provisions of that Act, of other Acts affecting import treatment, and of actions taken thereunder.

Now, Therefore, I, William J. Clinton, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to title II and section 321 of the NAFTA Implementation Act, sections 504 and 604 of the 1974 Act (19 U.S.C. 2464(c) and 2483), sections 201 and 203 of the Automotive Products Trade Act of 1965 (“the APTA”) (19 U.S.C. 2011 and 2013), and sections 1102(a) and 1204 of the 1988 Act (19 U.S.C. 2902(a) and 3004), do proclaim that:

(1) In order to provide generally for the preferential tariff treatment being accorded under the NAFTA, to set forth rules for determining the country of origin of goods imported into the customs territory of the United States for purposes of the NAFTA and of the APTA, to reflect Mexico’s removal from the enumeration of designated beneficiary developing countries for purposes of the GSP, and to make technical and conforming changes in the general notes to the HTS, the HTS is modified as set forth in Annex I to this proclamation.

(2) In order to provide preferential duty and certain other treatment to particular goods originating in the territory of a NAFTA party, as well as to certain other goods, to provide tariff-rate quotas with respect to particular goods originating in the territory of Mexico, to make technical and conforming changes in specified HTS provisions, and to continue the preferential tariff treatment previously accorded to particular goods that are the products of eligible countries and reflected in the “Special” rates of duty subcolumn of column 1 of the HTS, the HTS is modified as set forth in Annex II to this proclamation.

(3) (a) In order to provide other preferential treatment for certain goods originating in the territory of a NAFTA party and for certain other goods, and to make additional technical and conforming changes to reflect the removal of Mexico from eligibility for benefits of the GSP, the HTS is modified as provided in section (a) of Annex III to this proclamation.

(b) In order to provide for or to continue staged reductions in duties for goods originating in the territory of a NAFTA party, the HTS is modified as provided in sections (b), (c), and (d) of Annex III to this proclamation, effective on the date specified in such Annex sections for each such provision and on any subsequent dates set forth for such provisions in Annex III columns.

(c) In order to make conforming changes in the “Special” rates of duty subcolumn for purposes of the GSP, to continue staged reductions in duties previously proclaimed for purposes of the Israel FTA Implementation Act, and to reflect in the HTS the duty-free treatment previously proclaimed for certain goods that are products of Israel pursuant to the Israel FTA Implementation Act, the HTS is modified as provided in section (e) of Annex III to this proclamation.

(4) In order to implement the staged reductions in the rate of duty otherwise applicable under section 466 of the Tariff Act of 1930 to the equipments, or any part thereof, including boats, originating in the territory of Mexico and the expenses of repairs made in the territory of Mexico upon U.S.-documented vessels (others than civil aircraft, as defined in general note 6 to the HTS (as redesignated by Annex I to this proclamation)), such equipments, parts (including boats), and expenses of repairs shall be subject to duty at a rate of 40 percent ad valorem, effective with respect to such U.S.-docu-

mented vessels (other than civil aircraft) arriving in any port of the United States on or after the date of entry into force of the NAFTA under this proclamation. Effective with respect to any U.S.-documented vessel (other than civil aircraft) arriving in any port of the United States on or after January 1 in each of the following years, the rate of duty set forth opposite the appropriate year shall be assessed on such equipments, parts, and repairs:

1995—30 percent ad valorem
1996—20 percent ad valorem
1997—10 percent ad valorem
1998 and thereafter—Free

(5) In order to correct the designation of the provisions added as ''Note 4'' to chapter 86 of the HTS by section 681(b)(1) of the NAFTA Implementation Act, the text of such note as previously enacted shall be designated as ''Additional U.S. Note 1'' to chapter 86 of the HTS, effective as of the date of enactment of the NAFTA Implementation Act.

(6) In order to extend the effective period of the previously proclaimed duty reductions on enumerated tropical products, the rates of duty set forth in HTS headings 9903.10.01 through 9903.10.42 shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, through December 31, 1994.

(7) (a) All previously issued proclamations and Executive orders are hereby superseded to the extent inconsistent with this proclamation, except as provided in paragraph (b).

(b) If the NAFTA enters into force with respect to both Canada and Mexico, Presidential Proclamation No. 5923 of December 14, 1988, is superseded to the extent provided in this proclamation. If the NAFTA does not enter into force with respect to both Canada and Mexico, Presidential Proclamation No. 5923 is not superseded.

(8) (a) The amendments made by paragraphs (2) and (3) of this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the dates indicated in Annexes II and III to this proclamation.

(b) Except as provided in subparagraph (a) and in paragraphs (4) and (5), this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 1994, or, if the NAFTA does not enter into force on January 1, 1994, on or after such later date as the NAFTA enters into force.

(c) If the date of entry into force with respect to Mexico or Canada is later than January 1, 1994, the United States Trade Representative shall publish notice of that later date in the *Federal Register*. Should this occur, all other references to January 1, 1994, in this proclamation and its Annexes shall then be deemed to refer to such later date of entry into force with respect to that NAFTA party.

In Witness Whereof, I have hereunto set my hand this fifteenth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 5 p.m., December 15, 1993]

NOTE: This proclamation and its annexes were published in the *Federal Register* on December 20.

Statement on the Peace Process in Northern Ireland

December 15, 1993

I warmly welcome today's joint declaration of Prime Ministers Albert Reynolds and John Major proposing a framework for peaceful resolution of the situation in Northern Ireland. I have followed with intense interest the British and Irish Prime Ministers' courageous search for peace. Their flexibility has led London and Dublin, for the first time, to acknowledge the other's deepest aspirations. The joint declaration reflects the yearning for peace that is shared by all tradi-

tions in Ireland and creates an historic opportunity to end the tragic cycle of bloodshed.

Difficult issues still remain to be resolved, including questions at the heart of national and cultural identity and majority and minority rights. But as Prime Minister Reynolds said, the framework recognizes that differences can be fully and satisfactorily addressed and solved through the political process on the basis of fundamental principles of agreement and consent. It reflects the belief of both Governments that the way forward lies through dialog and cooperation, without compromising the beliefs of either tradition. I am especially heartened that, in the words of Prime Minister Major, the framework "closes no doors, except the door to violence." We hope that all parties will be inspired by the vision Mr. Reynolds and Mr. Major have shown.

I reaffirm the readiness of the United States to contribute in any appropriate way to the new opportunities which lie ahead in Northern Ireland. Our support for renewed political dialog remains steadfast.

In this season of hope, the call for peace on Earth has a special resonance in Northern Ireland. No side which claims a legitimate stake in the future of Northern Ireland can justify continued violence on any grounds. I call on those who would still seek to embrace or justify violence to heed the words of Paul and "cast off the works of darkness, and . . . put on the armor of light."

Letter to John D. Holum on His Swearing-In as Director of the Arms Control and Disarmament Agency

December 15, 1993

Dear John:

I am delighted to extend my congratulations as you are sworn in as the Director of the Arms Control and Disarmament Agency.

There are few challenges more pressing today than arms control and nonproliferation. Already we have taken several steps to address these challenges. In the past year, we have submitted the Chemical Weapons Treaty to the Senate. We have ratified the Open Skies Treaty. We have advanced new proposals on a comprehensive test ban and the ABM Treaty, and have made substantial progress in the de-nuclearization of the States of the Former Soviet Union. We have elevated nonproliferation on the national agenda and with your leadership will be pursuing a range of measures such as focused regional strategies and comprehensive approaches to the dangers posed by fissile materials. These steps and others we will take together can make our people safer and our nation more secure.

Much remains to be done to meet these challenges. Under your guidance, ACDA will play a crucial role in advancing the full range of our arms control and nonproliferation agenda. I look forward to having the benefit of your counsel, your expertise and your leadership skills as we work together to ensure a safer world for generations to come.

Sincerely,

Bill Clinton

NOTE: This letter was released by the Office of the Press Secretary on December 16.

Letter to Congressional Leaders on the General Agreement on Tariffs and Trade

December 15, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I believe that we have created a unique opportunity to build an international trading system that will ensure the orderly and equitable expansion of world trade and contribute to the prosperity of the United States in coming generations. After seven long years the conclusion of the Uruguay Round of multilateral trade negotiations is at hand. The Round will result in the largest, most comprehensive set of trade agreements in history. With the conclusion of the Round, we will have successfully achieved the objectives that Congress set for the United States in the negotiations.

In accordance with section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988, as amended ("Act"), I am pleased to notify the House of Representatives and the Senate of my intent to enter into the

trade agreements resulting from the Uruguay Round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade. These agreements are listed and identified below and are more fully described in an attachment to this letter.

The United States can and must compete in the global economy. In many areas of economic activity we are already world leaders and we are taking measures at home to strengthen further our ability to compete. In section 1101 of the Act the Congress set as the first overall U.S. negotiating objectives for the Uruguay Round more open, equitable and reciprocal market access. I am particularly pleased to advise you that the Uruguay Round results will provide an unprecedented level of new *market access* opportunities for U.S. goods and services exports. In the attachment to this letter is a summary description of the agreements on market access for goods and services that we have achieved in the Round. Of special note are the number of areas where we and our major trading partners have each agreed to reduce tariffs on goods to zero. The schedules of commitments reflecting market access in services cover a wide range of service sectors that are of great interest to our exporting community.

The *Agreement on Agriculture* will achieve, as Congress directed, more open and fair conditions of trade in agricultural commodities by establishing specific commitments to reduce foreign export subsidies, tariffs and non-tariff barriers and internal supports.

The *Agreement on Textiles and Clothing* provides for trade in textiles and apparel to be fully integrated into the GATT for the first time. As a result, trade in textiles will be subject to the same disciplines as other sectors. This transition will take place gradually over an extended period. At the same time, the agreement provides an improved safeguards mechanism. It also requires apparel exporting countries to lower specific tariff and non-tariff barriers, providing new market opportunities for U.S. exporters of textile and apparel goods. The agreement contributes to the achievement of the U.S. negotiating objectives of expanding the coverage of the GATT while getting developing countries to provide reciprocal benefits.

In fulfillment of the second overall U.S. negotiating objective, the reduction or elimination of barriers and other trade-distorting policies and practices, the Uruguay Round package includes a number of agreements to reduce or eliminate non-tariff barriers to trade. These agreements, which are described in the attachment, address *Safeguards, Antidumping, Subsidies and Countervailing Measures, Trade-Related Investment Measures, Import Licensing Procedures, Customs Valuation, Preshipment Inspection, Rules of Origin, Technical Barriers to Trade,* and *Sanitary and Phytosanitary Measures.* The agreements strengthen existing GATT rules and, for the first time in the GATT, discipline non-tariff barriers in the areas of investment, rules of origin and preshipment inspection. The agreements preserve the ability of the United States to impose measures necessary to protect the health and safety of our citizens and our environment and to enforce vigorously our laws on unfair trade practices.

The *Agreement on Government Procurement* will provide new opportunities for U.S. exporters as a result of the decision to expand the coverage of the agreement to government procurement of services and construction; we will, however, only extend the full benefits of the agreement to those countries that provide satisfactory coverage of their own procurement. Negotiations on improvements in the *Agreement on Trade in Civil Aircraft* and on a *Multilateral Steel Agreement* are continuing. These agreements should provide for more effective disciplines and reduce or eliminate trade-distorting policies and practices in two industries of importance to our economy. I will fully consult with the Congress throughout these negotiations, and plan to enter into these agreements if the negotiations produce results that are acceptable to the United States.

As a result of the *Agreement on Trade-Related Intellectual Property Rights (TRIPS)* and the *General Agreement on Trade in Services (GATS),* we will now have for the first time internationally agreed rules covering areas of trade of enormous importance to the United States. These agreements represent

a major step forward in establishing a more effective system of international trading disciplines and procedures. GATS contains legally enforceable provisions dealing with both cross-border trade and investment in services and sectoral annexes on financial services, labor movement, telecommunications and aviation services. More than 50 countries have submitted schedules of commitments on market access for services. The TRIPS agreement provides for the establishment of standards for the protection of a full range of intellectual property rights and for the enforcement of those standards both internationally and at the border.

The Uruguay Round has produced a number of other agreements that will create a more effective system of international trading disciplines and procedures.

The *Understanding on Rules and Procedures Governing the Settlement of Disputes* will provide for a more effective and expeditious dispute resolution mechanism and procedures which will enable better enforcement of United States rights. Congress identified the establishment of such a system as the first principal U.S. trade negotiating objective for the Round. The procedures complement U.S. laws for dealing with foreign unfair trade practices such as section 301 of the Trade Act of 1974.

The *Agreement Establishing the World Trade Organization* will facilitate the implementation of the trade agreements reached in the Uruguay Round by bringing them under one institutional umbrella, requiring full participation of all countries in the new trading system and providing a permanent forum to address new issues facing the international trading system. The WTO text recognizes the importance of protecting the environment while expanding world trade; negotiators have also agreed to develop a work program on trade and the environment and will recommend an appropriate institutional structure to carry out this work program. Creation of the WTO will contribute to the achievement of the second principal U.S. negotiating objective of improving the operation of the GATT and multilateral trade agreements.

The U.S. objective of improving the operation of the GATT is also furthered by a number of understandings, decisions and declarations regarding the GATT and its operations. The *Trade Policy Review Mechanism* will enhance surveillance of members' trade policies. The *Understandings Concerning Interpretation of Specific Articles of the General Agreement on Tariffs and Trade 1994 (GATT 1994)* concern the Interpretation of Articles II:1(b), XVII, XXIV, XXVIII and XXXV, and Balance-of-Payments Provisions. There is also an *Understanding in Respect of Waivers of Obligations Under the General Agreement on Tariffs and Trade 1994*.

The *Ministerial Decisions and Declarations* state the views and objectives of Uruguay Round participants on a number of issues relating to the operation of the global trading system, provide for the continuation of the improvements to the dispute settlement system that became effective in 1989 and deal with other matters concerning the dispute settlement system. The Ministerial Decisions and Declarations that are now proposed for adoption are described in the attachment. At this time, implementing legislation does not appear to be necessary for these instruments.

I will continue to consult closely with the Congress as we conclude the Round. There are a few areas of significance that we were unable to resolve at this time. In order to ensure more open, equitable and reciprocal market access, in certain agreements we have made U.S. obligations contingent on receiving satisfactory commitments from other countries, and we will continue to work to ensure that the best possible agreement for the United States is achieved. I will not enter into any agreement unless I am satisfied that U.S. interest are protected. With regard to entertainment issues, we were unable to overcome our differences with our major trading partners, and we agreed to disagree. We will continue to negotiate, however, and until we reach a satisfactory agreement, we think we can best advance the interests of our entertainment industry by reserving all our legal rights to respond to policies that discriminate in these areas.

In accordance with the procedures in the Act, the United States will not enter into the agreements outlined above until April 15,

1994. After the agreements have been signed, they will be submitted for Congressional approval, together with whatever legislation and administrative actions may be necessary or appropriate to implement the agreements in the United States. The agreements will not take effect with respect to the United States, and will have no domestic legal force, until the Congress has approved them and enacted any appropriate implementing legislation.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on December 16.

Remarks to Physicians Supporting the Health Security Plan

December 16, 1993

Thank you very much, ladies and gentlemen, all of you, for being here. And I want to say a special word of thanks to the physicians who have joined us here today; to Secretary Shalala and to Ira Magaziner and to the First Lady for all the work they have done. I thank especially my longtime friend and one of our family's physicians in the past, Dr. Betty Lowe, and I thank Dr. Bill Coleman, for the remarks that they made.

You know, I can't help but note right here at the outset that, I think it was just yesterday or the day before, one of the congressional opponents of our approach said that it was Socialist. When I heard that Alabama accent and that Arkansas accent—we've got a doctor from rural Mississippi here and another one from North Carolina—I thought these people do not look like a bunch of Socialists to me. [*Laughter*]

I'll tell you what they do know. They know that it's not easy to be a doctor in the world today. They still know what it's like to deliver a baby in the middle of the night or to get a call at daybreak from a mother whose child has a 102 fever or to care for an asthmatic patient for whom every breath is a struggle. They know what it's like to really make people's lives better, to save people's lives, and to maintain in a very personal way the quality of American medicine as the finest in the world. And I'm convinced that they would not do anything to weaken that quality and are here because they want to work with us to improve it and make it available to all Americans.

More than anything, these leaders and the physicians whom they represent, many of whom are in the audience today, understand the problems of a health care system in which millions live in fear of losing their coverage while costs keep rising, in which last year over 2 million Americans did lose their coverage so that at the latest count we are up to nearly 39 million Americans without health insurance. They know that we have to fix what's wrong with this system without messing up what's right.

Our plan strengthens and restores what is best about our medicine and places the doctor-patient relationship back at the heart of the American health care system. It protects the American people's cherished right to choose their doctors. Indeed, it enhances that right by making it clear that people not now insured cannot be put into plans where they have no choice of doctors, something which is happening increasingly to Americans already under the present system and will continue to increase if we do nothing.

Under our plan, individuals, not their employers, have the freedom to choose the health plan that best meets their needs and desires. That means they can stay with their family doctors. Our plan also guarantees much greater freedom for the patient-doctor relationship, guaranteeing that the doctor, who knows what is best for the patient, and not some insurance or Government bureaucrat will make the decisions about care.

And finally, of course, as has been said, this plan supported by these doctors guarantees universal coverage through the requirement of private insurance mandated in each employment unit with a system of discounts for small businesses and businesses that have a lot of low-wage employees. Now, I think that is very, very important to emphasize. These physicians here represent over 300,000 American physicians. They know

that if we're ever going to control the cost of health care and provide quality health care to everyone, we simply have to have universal coverage. It is not only an ethical imperative; it is a practical necessity.

They also are in the best position to judge the importance of a universal coverage requirement that has comprehensive benefits, including primary and preventive care coverage. We have spent ourselves a fortune of money in America by not taking care of primary and preventive health care in health insurance policies. It has been a big mistake, and we have paid for it.

I appreciate their support for holding down the cost increases. I certainly appreciate their support, as you would expect, for the proposition that the significant amount of taxpayer money that goes into medical education should be now used to encourage more primary and family practitioners in a country in which we are now, frankly, graduating a disastrously low number of family doctors from our medical schools.

I am most grateful, however, again, because the presence of these physicians here debunks the notion that the plan we have presented is some sort of big Government, bureaucratic plan that erodes the doctor-patient relationship and reestablishes its basic principles. Every other advanced country in the world has figured out how to cover their citizens but us. And we're spending 50 percent more of our income on health care than most countries. And too much of it is going to people who are not doctors, who are not nurses, who are not providing hospital or clinical care, but who are just shuffling papers in a maze that is the most bureaucratic, complicated system on the face of the Earth today.

Now, I also want to say that this morning I received a letter, an interesting letter from the American Medical Association, which represents fewer than 300,000 doctors, but still a substantial number—just not as many as are represented on this stage, but still a large number—reaffirming, reaffirming the support of the AMA for universal coverage and clarifying the position taken by the house of delegates recently, in which Dr. Todd says that they are still for universal coverage, that they are not opposed to an employer mandate, but that they think other options for achieving universal coverage in addition to an employer mandate should be considered. And I appreciate that, and I think we all should.

I do not wish this debate in this coming year to become unduly partisan, both within the medical community or the American political community. The truth is that all Americans have a common interest in universal coverage, primary and preventive care, slowing the rate of medical inflation, and reducing the incredible bureaucracy and regulatory intrusion into the health care system. All Americans have a common interest in that. They have an economic interest; they have a human interest, every family.

As I have said many times, there are very few families in this country that are not at risk of losing their health care. Most of them just don't know it until they lose it, their coverage. So we all have a common interest. And at this holiday season I would hope that we could do away with the destructive and counterproductive labels. I would hope we'll all get a laugh when we think about this eminent panel of Socialists up here on the platform—[*laughter*]—and learn to laugh about that and in this holiday season remind ourselves that perhaps the greatest gift we can give to our country in common is a greater sense of community and security, a major portion of which is universal health care.

Thank you very much.

NOTE: The President spoke at 11:55 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Dr. Betty Lowe, president, American Academy of Pediatrics; Dr. William Coleman, president, American Academy of Family Physicians; and Dr. James Todd, executive vice president, American Medical Association. A tape was not available for verification of the content of these remarks.

Remarks Announcing the Nomination of Admiral Bobby R. Inman To Be Secretary of Defense

December 16, 1993

Ladies and gentlemen, yesterday I announced that Secretary Aspin would be step-

ping down as Secretary of Defense next month after a year of devoted service. I want to stress again how deeply grateful I am on behalf of all Americans for his hard work and his many unique contributions to the Pentagon and to our national defense.

To ensure the greatest possible continuity, I wanted to announce a successor as soon as possible. So today, I am very pleased to announce my intent to nominate Admiral Bob Inman as the next Secretary of Defense.

Admiral Inman was one of our Nation's highest ranking and most respected military officers. He was a four-star admiral whose career in the Navy and in our intelligence community and in private business has won him praise from both Democrats and Republicans who admire his intellect, his integrity, and his leadership ability.

The Admiral's experience in serving our Nation is truly impressive. He personally briefed Presidents Eisenhower and Kennedy. He held senior positions under Presidents Ford, Carter, Reagan, and Bush. Former Secretary of Defense James Schlesinger called Admiral Inman ''a national asset.'' And I know he will be a national asset as Secretary of Defense.

He brings to this job the kind of character all Americans respect. The son of a gas station owner in a small east Texas town, he rose to distinction and success on the basis of his brains, his talent, and his hard work. He finished high school at 15, graduated from college at 19, joined the Naval Reserve at 20, and then launched an impressive 31-year career in the Navy. He served on an aircraft carrier, two cruisers, and a destroyer as well as on onshore assignments as an analyst for naval intelligence. In 1976, at the age of 45, he became the youngest vice admiral in peacetime history. Bob Inman's stellar intelligence work caught the attention of many military and civilian leaders and prompted his elevation to several high posts in the intelligence community. He served as Vice Director of the Defense Intelligence Agency, Director of the National Security Agency, and Deputy Director of the Central Intelligence Agency. Because of his outstanding service, he was awarded the National Security Medal by President Carter.

Over the past decade since Admiral Inman left Government, he served in a wide range of private sector positions, including CEO of two private sector electronics firms, Chairman of the Federal Reserve Bank of Dallas, and a teacher at his alma mater, the University of Texas. He's also served on 11 not-for-profit corporate boards. And in all these roles, Admiral Inman has established a reputation for penetrating analysis, strong leadership, and a rock-solid commitment to this Nation's security. Those qualities will serve our Nation well as the Admiral becomes our next Secretary of Defense.

This is a time of great change in our world. We must build on the work Les Aspin began with a bottom-up review to ensure that we have the right forces and strategy for this new era. We must ensure that, even as we reduce force levels, our military remains ready to fight and win on a moment's notice. We must ensure that our men and women in uniform remain the best trained, the best equipped, the best prepared fighting force on Earth. And we must maintain and build strong bipartisan support in the Congress and in the country for the foreign policy and national defense interests of our Nation.

I am confident that Admiral Inman is the right leader to meet these demanding challenges. I am grateful that he's agreed to make the personal sacrifices necessary to return to full-time Government service and to accept this important assignment at this pivotal time in world events. I'm delighted that he will be joining our national security team, and I thank him for his service to the Nation.

NOTE: The President spoke at 1:33 p.m. in the Rose Garden at the White House.

Statement on Signing the Preventive Health Amendments of 1993

December 16, 1993

Since the beginning of my Administration, we have worked with the Congress on ways to strengthen the Nation's health care system. This partnership for the personal security of America's families moved forward

when I signed into law H.R. 2202, the Preventive Health Amendments of 1993.

The primary purpose of this new law is to extend the early detection and disease prevention activities of the Centers for Disease Control and Prevention (CDC), especially by strengthening our efforts for the early detection of breast cancer. While it contains a number of excellent provisions, I am especially pleased to advance the Nation's agenda as it relates to women's health concerns.

Among the provisions of H.R. 2202 are new funds authorized for appropriations in the form of grants by the CDC to States for the detection and treatment of women's reproductive and breast cancers. This program addresses an important national need.

Over 2.5 million women in the United States have breast cancer, and about 182,000 additional cancers are expected to have been detected this year. Once every 12 minutes, a woman dies from breast cancer in the United States, often leaving behind a grieving husband, desolate children, and anguished friends. While mammography is by no means a cure, in many instances, it does detect cancer and leads to reductions in the death rates from the illness among women when appropriate follow-up treatment occurs. Though we don't know what causes breast cancer, how to prevent it or cure it, we do know that broader access to mammograms will make an important medical, personal, and economic difference due to increased early detection.

The legislation expands our efforts not only in breast and cervical cancer prevention but also in areas such as injury control, violence prevention, tuberculosis prevention and research, and trauma care. It is an excellent example of how a bipartisan approach to improving the health care available to Americans can provide needed benefits to so many people.

Much more can and must be done. Health care reform is going to change fundamentally and for the better the manner in which we deal with women's health, especially breast cancer. We know we can reduce deaths from breast cancer by insuring that all women see their health care provider on a regular basis and have access to the tests they need, including mammography when appropriate. Under my Health Security Act, no woman who needs a mammogram will ever be denied one because she cannot pay for it.

William J. Clinton

The White House,
December 16, 1993.

NOTE: H.R. 2202, approved December 14, was assigned Public Law No. 103–183. This statement was released by the Office of the Press Secretary on December 17.

Remarks Announcing the Annenberg Foundation Education Challenge Grants

December 17, 1993

Thank you very much, Secretary Riley and Secretary and Mrs. Bentsen, Deputy Secretary of Education Madeleine Kunin. I want to mention some of the people who are here. I'm glad to see Senator Kennedy, Senator Pell, and Congressman Reed here, and my former colleagues and friends, Governor Romer and Governor Edgar. Dr. Gregorian and David Kearns and Ted Sizer and Frank Newman and so many people that I've worked with over the years. When Walter Annenberg was giving his very brief statement, it reminded me of a comment that the President with the best developed mind, Thomas Jefferson, once said. He said, ''You know, if I had more time I could write shorter letters.'' [*Laughter*] So I think he said all that needed to be said.

Walter and Leonore Annenberg have done a remarkable and truly wonderful thing on this day in giving the largest private gift in American history to the future of America's children. It could not have come at a better time. In a moment all of you will repair to another place and discuss in greater detail exactly what this gift will do and how it will be done. But since I spent the better part of my life in public service laboring to improve public education, I want the press and the American people to know that there are two things that are important about this gift: its size and the way the money is going to be spent.

It could not come at a better time, 10 years after the issuance of ''A Nation At Risk'' report and on the eve, we all earnestly hope, of the passage of our ''Goals 2000 Act,'' which attempts to put into law a mechanism by which the United States can achieve the national education goals adopted by the Governors and by the Bush administration jointly in 1989.

In our legislation, we attempt to set high academic standards, to give our country world-class schools, to give our children a way to fulfill their dreams instead of their nightmares, along with the other things we've tried to do: reforming the student loan program; opening the doors of college to everyone; trying to develop a national system of moving from school to work for those who don't go to college; pushing a safe schools act so that we don't have 160,000 kids stay home every day because they're afraid to go to school; establishing a system of lifetime learning. These things make a real difference. But if I have learned one thing in all the years, in all the countless hours that Hillary and I have spent in public schools all across this country, it is that the true magic of education in the end occurs between teachers and students and principals and parents and those who care about what happens in the classroom and outside the classroom.

And one of the things that has plagued me all these years is seeing all the successes, because, I tell you, I have tried to focus the American people in the last several weeks on the crime and violence that is consuming so many millions of our young people. But what is important for America to know is that there is another reality out there. There are two realities that are at war, one with the other. There is the reality that we all see: too many guns and too much violence in schools that don't function. There is another reality: In the most difficult circumstances you can find anywhere in this country, there are children and parents who obey the law, who love their country, who believe in the future, and who are in schools working with teachers who are succeeding by any standard of international excellence against all the odds.

Therefore, it is clear that the most pressing need in this country today, the most pressing need is to have a standard of excellence by which all of us can judge our collective efforts down to the smallest schoolroom in the smallest community in America, and then to have a system to somehow take what is working against all the odds and make it work everywhere.

All these people who are in this room who have devoted their lives to education are constantly plagued by the fact that nearly every problem has been solved by somebody somewhere, and yet we can't seem to replicate it everywhere else. Anybody who has spent a serious amount of time thinking and looking about this knows that that is the central challenge of this age in education.

That's why Ted Sizer has devoted his career to establishing a system which can be recreated and adapted to the facts of every school. That's why David Kearns left a brilliantly successful career in business and wrote a book about what works in reinventing schools. That's why my friend Frank Newman stopped being a university president and went to the Education Commission of the States and every year hounded Governors like me to help him because we knew that there are examples that work, and nobody has unraveled this mystery. That's why people often run for Governor and stay Governors of States, believing that we can somehow have the alternative reality that is out there prevail in the end.

And the way this money is going to be allocated is just as important as how much money is being offered, because Walter Annenberg has challenged the rest of us to match his efforts today and in a way is challenging America to realize that there are millions of good kids and good teachers and good efforts being made out there. And the time has come for us to say, here are the national standards, here is a way of measuring whether we're meeting them, and here's a way of recognizing that in reality all these things have to happen school by school, neighborhood by neighborhood, student by student. And what is our excuse, when we can give you a hundred examples of where it's working, for not having

thousands and thousands and thousands examples of where it's working?

That is the magic of what is being done. This is a very, very important day for American education and for America's future. And the people in the United States will forever be in the debt of these two fine people.

Thank you very much.

NOTE: The President spoke at 10:34 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Vartan Gregorian, president, Brown University; David Kearns, president, New American Schools Development Corp.; Theodore R. Sizer, chairman, Coalition for Essential Schools; Frank Newman, president, Education Commission of the States; Illinois Governor Jim Edgar; and Colorado Governor Roy Romer. A tape was not available for verification of the content of these remarks.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

December 11

In the evening, the President and Hillary Clinton attended a Washington Ballet performance of "The Nutcracker" at the Warner Theatre.

December 12

In the afternoon, the President had telephone conversations with Prime Minister Edouard Balladur of France, Prime Minister John Major of Great Britain, and Chancellor Helmut Kohl of Germany on GATT.

In the evening, the President and Hillary and Chelsea Clinton attended the "Christmas in Washington" program at the National Building Museum.

December 13

In the morning, the President traveled to Bryn Mawr, PA, where he attended a luncheon at Bryn Mawr College. In the afternoon, he traveled to New York City where he met with the three men who helped apprehend the Long Island Railroad gunman on December 7. He then returned to Washington, DC, in the late evening.

December 14

The President announced that he intends to nominate David Birenbaum to be Deputy Permanent Representative to the United Nations for Management and U.N. Reform, with the rank of Ambassador.

December 16

The President announced he has made the following appointments:

—LaVarne Addison Burton, Senior Analyst/Adviser, Assistant Secretary of Health and Human Services for Management and Budget;

—Mary Lou Crane, Regional Administrator, Region I, Department of Housing and Urban Development;

—Vonya Beatrice McCann, Deputy Assistant Secretary of State, Telecommunications;

—Donald M. Itzkoff, Deputy Administrator, Federal Railroad Administration;

—Wushow (Bill) Chou, Deputy Assistant Secretary of the Treasury, Information Systems;

—Michael J. Armstrong, Regional Director, Region VIII, Federal Emergency Management Agency;

—Rita A. Calvan, Regional Director, Region III, Federal Emergency Management Agency;

—Karen R. Adler, Regional Administrator, Region II, General Services Administration;

—Leslie R. Jin, General Counsel, U.S. Information Agency.

December 17

In the afternoon, the President hosted a Christmas celebration for children in the State Dining Room.

The President announced that he is designating Gael McDonald, who has been serving as Acting Chair of the Interstate Commerce Commission, to be Chair of the ICC, and that he intends to nominate Linda J. Morgan as a Commission member.

Nominations Submitted to the Senate

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released December 12

Statement by Press Secretary Dee Dee Myers on the President's telephone conversations with Prime Minister Edouard Balladur of France, Prime Minister John Major of Great Britain, and Chancellor Helmut Kohl of Germany on GATT

Released December 13

Statement by Press Secretary Dee Dee Myers on the elections in Russia

Released December 14

Transcript of a press briefing by Press Secretary Dee Dee Myers

Transcript of a press briefing by Assistant to the President for Economic Policy Robert Rubin, Council of Economic Advisers Chair Laura D'Andrea Tyson, Deputy National Security Adviser Sandy Berger, Deputy Assistant to the President for Economic Policy Bowman Cutter, and Special Assistant to the President for Economic Policy Robert Kyle

Transcript of a press briefing by the Council of Economic Advisers

Released December 16

Statement by Press Secretary Dee Dee Myers on legislation signed by the President

Biography of Bobby Ray Inman

Text of a letter from Senior Adviser to the President for Policy Development Ira Magaziner to the American Medical Association

Released December 17

Transcript of a press briefing by Education Secretary Dick Riley, New American Schools Development Corporation President David Kearns, Coalition for Essential Schools Chairman Ted Sizer, Illinois Governor Jim Edgar, and Colorado Governor Roy Romer

Statement by Press Secretary Dee Dee Myers on legislation signed by the President

Statement by Press Secretary Dee Dee Myers on Emergency Board proposed framework to settle contract impasse on the Long Island Rail Road

Acts Approved by the President

Approved December 14

H.R. 2202 / Public Law 103–183
Preventive Health Amendments of 1993

H.R. 486 / Public Law 103–184
To provide for the addition of the Truman Farm Home to the Harry S Truman National Historic Site in the State of Missouri

H.R. 3321 / Public Law 103–185
To provide increased flexibility to States in carrying out the Low-Income Home Energy Assistance Program

H.R. 3616 / Public Law 103–186
To require the Secretary of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of Thomas Jefferson, Americans who have been prisoners of war, the Vietnam Veterans Memorial on the occasion of the 10th anniversary of the Memorial, and the Women in Military Service for America Memorial, and for other purposes

H.J. Res. 272 / Public Law 103–187
Designating December 15, 1993, as "National Firefighters Day"

S. 717 / Public Law 103–188
Egg Research and Consumer Information Act Amendments of 1993

S. 778 / Public Law 103–189
Watermelon Research and Promotion Improvement Act of 1993

S. 994 / Public Law 103–190
Fresh Cut Flowers and Fresh Cut Greens Promotion and Information Act of 1993

S. 1716 / Public Law 103–191
To amend the Thomas Jefferson Commemoration Commission Act to extend the deadlines for reports

S. 1732 / Public Law 103–192
To extend arbitration under the provisions of chapter 44 of title 28, United States Code, and for other purposes

S. 1764 / Public Law 103–193
To provide for the extension of certain authority for the Marshal of the Supreme Court and the Supreme Court Police

S. 1766 / Public Law 103–194
Lime Research, Promotion, and Consumer Information Improvement Act

S. 1769 / Public Law 103–195
To make a technical amendment, and for other purposes

S.J. Res. 154 / Public Law 103–196
Designating January 16, 1994, as ''Religious Freedom Day''