

NOTE: This Executive order was published in the *Federal Register* on September 20, and it was released by the Office of the Press Secretary on September 29.

### **Remarks on Signing the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994**

*September 29, 1994*

Thank you very much, Dick Kovacevich, for your fine words and your strong support of this endeavor. Thank you, Tom Labrecque, for what you said. Thank you, as always, Secretary Bentsen, for your remarks and your stellar leadership. I thank all the Members of Congress for coming and the Members of the House who are out voting; you were all introduced by name in absentia. [Laughter] But I do want to say a special word of thanks to retiring Congressman Steve Neal for his wonderful leadership bill, and I thank him. I thank the Senators, those who are here especially, Senator Dodd, Senator Sarbanes, Senator Bennett, and of course, Senator Riegle. We will miss you, and we thank you for this very important part of your legacy. I thank Chairman Greenspan and Mr. Blinder and Chairman Levitt for coming and for their role in stabilizing and strengthening our economy. I never comment on these things, but I'm awfully glad this bill is taking effect at a time when banks will still be able to make loans at reasonable interest rates. [Laughter] There are a lot of other people here—I'll live to regret—[laughter]—a lot of other people here that could be introduced, but I think I would be remiss if I did not say something about someone who fought for this issue when he was in Congress and is now the distinguished Governor of the State of Connecticut, Lowell Weicker. We're delighted to see you here, sir. Thank you for coming. We're delighted to see Sarge and Eunice Shriver here; thank you for coming.

Now, there are two other people I would be personally remiss if I did not introduce because they had a lot to do with my interest in this issue. The thing that sparked my interest in this issue, first of all, was being Governor of a State when banks were dropping like flies all around the country and we were

determined to protect ours. And I began then to seriously think what was structurally wrong with the financial system in this country. There is a gentleman here from my home State who has been my banker, my adviser, my supporter, and was the last person who served as my chief of staff as Governor of Arkansas. I'd like to ask him to stand up, Mr. Bill Bowen, former chairman of the Commercial National Bank. [Applause] And the other person here who stayed up with me half the night once. You may think you can't stay up half a night talking about interstate banking. [Laughter] You may think it would put you to sleep even though—but you have never heard Hugh McColl talk about it. Will you please stand up? Thank you so much. [Applause] I figured if he could be rhapsodic about this at 2 a.m., I ought to be for it, strong for it. [Laughter]

You've already heard how important this legislation is and what it will do for the banking industry. I'd like to just take a few moments to describe to you from my point of view as President how this fits into our comprehensive economic strategy. You've already heard people say it will make us stronger economically; it will be better for consumers; it will make us more efficient. It represents another example of our intent to reinvent Government by making it less regulatory and less overreaching and by shrinking it where it ought to be shrunk and reshaping it where it ought to be reshaped.

The people who are here up on this stage with me represent the economic team who worked with me to try to develop a strategy that would put the American people first and enable us to compete and win in the 21st century and enable us to stay together and go forward in spite of all of our differences, to restore prosperity and to renew the American dream.

The economic strategy we have crafted, while it may have critics in every corner from point to point, still should be recognized for what it is: a serious attempt by the national administration to systematically address the problems of the American economy and the opportunities of the American economy that enable us to increase our capacity to work together for opportunity for all.

Secretary Bentsen has been my wise counsel and strong leader. Secretary Brown is with President Yeltsin in Seattle today, probably still trying to make another sale. [Laughter] As all of you know, he's traveled from South America to South Africa to promote American businesses and exports and has been the most active Commerce Secretary certainly in my lifetime. Secretary Reich has been tireless in his advocacy for a skilled work force and for changing our whole unemployment system into a reemployment system. Alice Rivlin and before her Leon Panetta have played a central role in shaping tough and responsible budgets and in giving us 3 years of declining deficits for the first time since Mr. Truman was the President of the United States. Ambassador Kantor has given us more leadership on trade in the last 20 months than in any comparable period in the last 35 years. Erskine Bowles is not here, but the Acting Administrator of SBA is here, Sandra Pulley. And let me say, among other things, they have proved that if you put people in charge of the Small Business Administration whose job it is or has been in the past to create and expand small businesses, it makes a remarkable difference. The agency is less political but more effective than it has ever been. One of the things they did was to take the small business loan form, which was that thick, and cut it to one page and give you a decision in 3 days, yes or no, which is something that interstate banking will probably make possible for every bank in America to do, before you know it. I want to thank Laura Tyson, the Chair of our Council of Economic Advisers, who has done so much to help us analyze the economy and strategize long-term. But most important of all, I want to thank the most self-effacing but talented person I've ever had the privilege to work with in the area of the economy, Bob Rubin, for coordinating this entire team. And I'd like for him to stand up, because he never gets any recognition. [Applause]

Our strategy was pretty simple: Get our fiscal house in order; bring the deficit down; do it and find a way to invest more in the skills of our people, the technologies of the future, defense conversion; expand trade; open markets; be more aggressive in appropriate ways in having a partnership outside

our borders between the United States Government and our economic interests; and work to find ways to make the Government more efficient.

We have committed ourselves to that. And among other things, the budget we are about to adopt—we're in the process of adopting now—combined with the budget last year, represent only the first time in 17 years when a President's had two budgets in a row adopted by Congress substantially intact. They will give us 3 years of deficit reduction in a row for the first time since the Truman Presidency. But also somewhat less known, they will over this 6-year period, because we adopt 5-year budgets, reduce the size of the Federal Government by 270,000 to its smallest size since Mr. Kennedy was President. All of that money is being given to the American people in their own communities to fight crime. That's how the crime bill was funded. This is a remarkable change. We have already reduced the size of the Federal Government in 20 months by more than 70,000 people. And so I thank all of them for that.

The result of these comprehensive efforts and our disciplined coordination with other aspects of the public and private sector is that our economy is healthy and growing, inflation is moderate, trade is expanding, the deficit is dropping, and the Government is shrinking. There have been 4.3 million new jobs. And in contrast to the pattern of the eighties, when much of the job growth in times that were slow was in State and local government, 93 percent of the new jobs for the last 20 months have been in the private sector.

According to a recent annual survey by international economists, America has now been ranked the most productive economy in the world for the first time in 9 years. We've also had 8 months in a row of manufacturing job growth, something others had all but given up on for the first time in 10 years.

Our challenge now is to keep moving in the right direction, to keep creating new partnerships between business, Government, and citizens. And this legislation is a good step in that direction.

Under this law, as you've already heard, banks will be able to operate in more States

with less trouble. We wipe away obsolete Government-created restrictions, something I'm determined to do in many other areas. And you'd be amazed how many areas these exist in.

Just for example, in the last year and a half, we have given 17 States permission to try new ways to move people from welfare to work. In every case, we had to wipe away Federal restrictions to allow States to do things that nearly 100 percent of the American people without regard to race or income want done to find a way to put people in the work force and take them off the dole. So we are working hard. We know we can save billions of dollars if we do that. Some estimates suggest the efficiencies in this bill alone in reducing paperwork and regulation will save this industry about \$1 billion a year.

We know this bill is good for consumers for reasons that have already been stated. I wish I had thought of Tom's line myself: It's easier for a New York bank to expand in Kuala Lumpur than Jersey City. So, since he's already said that, I won't give you what they wrote for me, which is longer and not nearly as graphic. [*Laughter*]

I also want to thank the Congress for working on this bill in a bipartisan spirit. You know, I get very frustrated, as all of you know, that it takes so long to do big things around here. I went back and read "The Federalist Papers" the other night, I was so frustrated by it. And then, lo and behold, some of our brilliant framers organized this Government to slow things down. Even they couldn't be right about everything, but anyway, we took our time on this bill.

And there are so many things that we've been able to do in the last year and a half that were just sort of hanging around for 6, 7, or 8 years. But when the bill did pass, when we had the confluence of forces and energy and vision to pass it, it passed with overwhelming bipartisan support, which should increase the confidence of the American people that this is a good thing for our country and that it will help all of us to do better.

Let us all acknowledge that this work is far from over. You've already heard the previous speaker say there was more to be done in the banking area, even though we have

had a very good year and a half with trade. And NAFTA, by the way, is having a very positive effect on our economy. We've had a 19 percent increase in exports to Mexico, a 600 percent increase in the exports of automobiles and trucks to Mexico since NAFTA passed. Jobs are up to both Canada and Mexico because exports are up. Still, the really important thing to do is to pass the GATT.

I am going in November to Indonesia to meet with the leaders of the big Asian economies. I will then go back to Florida in December to have all the leaders of the democratic governments in the Caribbean and Latin America there at the Summit of the Americas that Mr. McLarty, who is here, is coordinating for us. We need to be able to continue to be the leader in opening up the global economy to efficiency and to competition and to expansion.

This is not a zero-sum game, this economy. But the only way it cannot be that is to keep pushing back the limits of the possible. And the only way you can do that is to have global economic growth. So we will keep hoping and working for GATT. I think we need to create it and pass it as quickly as we can. The American people will be a winner there.

All of you know that every serious economic study of the GATT has estimated that it will create hundreds of thousands of high-paying American jobs over the next decade and ultimately add between \$100 billion and \$200 billion to our GDP every single year. It will cut foreign tariffs by a third. It will provide a global tax cut of \$744 billion. So I hope that the bipartisan support the GATT has will result in the same thing that happened with the banking bill, that we will pass it and pass it in a prompt way.

Yesterday the House Ways and Means Committee approved the GATT by a vote of 35 to 3. This morning the Senate Finance Committee approved it by a vote of 19 to 0. The fact is, these folks have figured out that this is good for our economy, good for our country, good for our global leadership to continue to be pointing the way for other countries, to keep them looking upward and outward and reaching out to each other instead of drawing inward and giving in to the difficult pressures that all of us face.

I want Congress to pass the GATT this year. If it passes the House but not the Senate, I'll urge the Senate to return after the election recess and pass it then. We have come too far on this journey, making our Government more efficient, our economy more productive, and working together, to back off now.

You know, this week I've had the honor to represent you at the U.N. and to meet with President Yeltsin here in Washington and to watch as our courageous soldiers are working to bring democracy back to Haiti in a peaceful fashion. I am reminded that the world, with all of its difficulties, has never really had greater opportunities and that our very existence now is not threatened, as it once was, because of the progress we have made in trying to learn to live together.

People everywhere who yearn for political freedom and for economic opportunity are having more chances to realize both than ever before. We have a chance to help them. Sometimes we are called upon to help them in definite and specific ways, as we were early in the process of Russian reform or as we have been in Haiti. But I always believe that the most powerful way we help is by setting the right example.

We have set a good example today. Passing the GATT is setting a good example. Reaching out to the rest of the world, being unafraid to compete and determined to contact people and to work with them and to keep doing what we do better is the best way to set that kind of example. To me, that's what this bill represents, and I'm honored to be here to sign it today.

Thank you very much.

We don't have enough room on the dais for every Member of Congress who's here, but I would like to ask at least Mr. Neal to come up here. He and Senator Riegle should be in this picture. It may get them so many write-in votes, they won't be able to retire.

NOTE: The President spoke at 3:05 p.m. at the U.S. Treasury Building. In his remarks, he referred to Richard Kovacevich, president and chief executive officer, Norwest Corp. of Minneapolis; Tom Labrecque, chairman and chief executive officer, Chase Manhattan Bank; Alan S. Blinder, member, Council of Economic Advisers; Robert Sargent Shriver, Jr., first director of the Peace

Corps; Eunice Shriver, director, Special Olympics; and Hugh McColl, Jr., chairman of the board, NationsBank Corp. H.R. 3841, approved September 29, was assigned Public Law No. 103-328. A tape was not available for verification of the content of these remarks.

### **Joint Statement on Strategic Stability and Nuclear Security**

*September 29, 1994*

*Joint statement on strategic stability and nuclear security by the Presidents of the United States of America and the Russian Federation*

Presidents Clinton and Yeltsin underscored that, with the end of the Cold War, major progress has been achieved with regard to strengthening global strategic stability and nuclear security. Both the United States and Russia are significantly reducing their nuclear forces. Important steps have been taken to detarget strategic missiles. Multilateral negotiations on a comprehensive nuclear test ban have begun. The Presidents noted the key role of the Non-Proliferation Treaty in ensuring global stability.

President Yeltsin outlined the initiative Russia presented to the UN General Assembly for a treaty among the five permanent members of the UN Security Council for a halt to the production of fissile materials for weapons, a ban on the reuse of fissile materials in weapons, further elimination of nuclear warheads, and reduction of strategic delivery systems.

President Clinton outlined the ideas he described at the UN General Assembly for cooperation in advancing nuclear non-proliferation, particularly to enhance the security of nuclear materials and to prevent nuclear smuggling.

The Presidents discussed these initiatives, of which they had informed each other in advance and which reflected shared goals and certain common proposals designed to contribute to nuclear non-proliferation. In this regard, the Presidents agreed that the permanent members of the UN Security Council, given their responsibilities as nuclear powers, have a special role to play.

The United States and Russia will work with the other permanent members, as well