Message to the Congress Transmitting a Report on Trade With Romania

May 19, 1995

To the Congress of the United States:

I hereby transmit a report concerning emigration laws and policies of the Republic of Romania as required by subsections 402(b) and 409(b) of Title IV of the Trade Act of 1974, as amended ("the Act"). I have determined that Romania is in full compliance with the criteria in subsections 402(a) and 409(a) of the Act. As required by Title IV, I will provide the Congress with periodic reports regarding Romania's compliance with these emigration standards.

William J. Clinton

The White House,
May 19, 1995.

NOTE: This message was released by the Office of the Press Secretary on May 23.

The President's News Conference

May 23, 1995

The President. Good afternoon, I want to speak with you today about legislation that Congress is considering which would place new restrictions on how America conducts its foreign policy and slash our budget in foreign affairs. I believe these bills threaten our ability to preserve America's global leadership and to safeguard the security and prosperity of the American people in the post-cold-war world. The world is still full of dangers but more full of opportunities, and the United States must be able to act aggressively to combat foreign threats and to make commitments and then to keep those commitments.

These bills would deprive us of both those capabilities. Supporters of the bills call them necessary cost-cutting measures. But in reality, they are the most isolationist proposals to come before the United States Congress in the last 50 years. They are the product of those who argue passionately that America must be strong and then turn around and refuse to pay the price of that strength or to give the Presidency the means to assert that strength.

The price of conducting our foreign policy is, after all, not very high. Today, it's slightly more than 1 percent of the budget. Let me say that again: slightly more than 1 percent of the budget. That's about one-fifteenth of what Americans think it is, according to the most recent surveys. And it's only one-fifth of what Americans believe would be about the right amount to spend.

In other words, we don't spend 15 percent of the budget on foreign policy, or even 5 percent, but just a little over 1 percent. And that 1 percent, which includes our contributions to the multilateral development banks, helps to dismantle nuclear weapons, saves lives by preventing famines, immunizing children, and combating terrorists and drug-traffickers. Bills in both the House and the Senate place new restrictions on our ability to meet these dangers as well as to take advantage of all the opportunities that are out there for the United States.

For example, one bill, "The American Overseas Interests Act", which is being debated on the House floor just this week, would compromise our efforts to stop North Korea's nuclear program, impose conditions that could derail our support for democratic reform in Russia, and restrict the President's ability to prevent illegal immigration. The bill would also mandate an ill-conceived restructuring of agencies responsible for our foreign affairs.

Taken together, these constraints represent nothing less than a frontal assault on the authority of the President to conduct the foreign policy of the United States and on our Nation's ability to respond rapidly and effectively to threats to our security.

Repeatedly, I have said there are right ways and wrong ways to cut the deficit. This legislation is the wrong way. We did not win the cold war to walk away and blow the opportunities of the peace on shortsighted, scattershotted budget cuts and attempts to micromanage the United States foreign policy.

That's why Secretaries Christopher, Perry, and Rubin and Ambassador Albright have recommended that I veto this bill being considered by the House this week. But it is not

too late to reconsider. These are dangerous proposals. Our administration is ready to work with Congress, and I remain hopeful that the long tradition of bipartisanship in foreign affairs, which I have appreciated and been a part of, will continue throughout this session of Congress.

I urge Congress to send me a bill that protects the fundamental interests of the American people, a bill that I can sign.

Budget Proposals

Q. Leon Panetta said that trying to balance the budget in 7 years would be nuts. Laura Tyson said it would be bad for the American economy. And over the weekend, you said it could be done and that after the Republicans propose and dispose of the budget they're dealing with now, you would offer your own plan to do so. Can you tell us why the disagreement within your administration, and what exactly you do intend to propose?

The President. Well, it can be done, but it is not good policy to do it. Those things are not inconsistent. It is mathematically possible to do it, but having analyzed the alternatives for doing it, we believe that it cannot be done consistent with the interests of the American economy.

Now—in other words, I believe that all Americans should be committed to bringing our budget into balance within a reasonable amount of time that we can determine. And I believe we should be committed to working together toward that end. But I do not believe it is good policy, based on my understanding of this budget, which is pretty good now, to do it in 7 years.

Keep in mind—let's back up a minute. What is the fundamental problem with the American economy? Is it the deficit? I have worked hard to reduce the deficit. But what happened when we reduced the deficit—the Republicans now use 7-year terms, so let's talk about 7 years.

In 1993, the deficit reduction plan we adopted reduced the deficit by $1 trillion over 7 years. And even though not a single one of them voted for it and never engaged us in any kind of cooperative effort, they obviously like building on it, and it makes it possible for them to argue that now the budget can be brought into balance.

What did we get out of it? We got declining interest rates and a growing income for the economy, 6.3 million new jobs. What is the problem now with the American economy? The incomes of the American people are not going up in the global economy. If you reduce the deficit to zero, if you balance the budget in 7 years, with the evidence we now have, that would either require massive tax increases or massive budget cuts, which would be unfair to our long-term objective to stabilize the incomes and the way of living of the American people. If you ignore it, the same thing would happen. So that's the point that we made. I don't think the two things are inconsistent at all.

Q. What are you going to do? What are you going to do, sir?

The President. I'm going—well, for one thing, the Republicans have to resolve the differences between themselves. They have to produce a budget resolution. The President has no role in the budget resolution and cannot veto it; it's a guidance. Then the budget process will begin. That's the reconciliation process, and that process the President has a role in, because I have a veto. I have shown—if you look at the debate in the rescissions bill, you see that I have shown good faith. I will not do what they did 2 years ago. I will not walk away from this process.

Look at the rescission bill. At the appropriate time, I sat down with the Republicans in the Senate, who made it clear that they wanted us to do that; we worked out an agreement for big spending cuts. Then, when it was changed behind closed doors, I offered an alternative budget in the rescission context—what I have done today. It was a responsible thing to do. I still want deficit reduction in the rescission bill. I still want to work with the Congress, and I will do so.

And if you look at how I handle the rescission business, we put people first, we put investment first, but we reached agreement on how much we should cut, spending and rescissions. We can do the same thing here.

Q. [*Inaudible*]—your own counterbudget and to get the budget into balance in less than 10 years. Could you share with us some ideas about how you would do that?

The President. Well, we've already made clear—I've already made clear what my

problems are and where we need to start. First of all, I told everybody, including the White House Conference on Aging, that we were going to have to make some changes. But let's deal with what I think the problems are.

Both of the Republican budget proposals propose big cuts in Medicare outside the context of health care reform. When I presented my initial budget to the Congress, I said we can cut the deficit much more, but we have to do it in the context of health care reform. Otherwise, you're going to have a lot of hardship on elderly people and others.

Secondly, the tax cut is way, way too big, and it is essentially paying for tax cuts to people who are not needy and who are doing well in this economy by cutting Medicare. Thirdly, the education cuts are too deep. And fourthly, the Senate proposal cuts—raise taxes on working Americans with children with incomes under $28,000 and lowers taxes on people with incomes over $200,000. That's the reverse of what we ought to be about. And finally, the 7-year period is an arbitrary period not dominated by an analysis of economic policy and what's good to raise incomes, but basically just a figure picked out of the air. So that's where I think we ought to begin.

Helen [Helen Thomas, United Press International].

Funding and Conduct of Foreign Affairs

Q. Mr. President, are you going to veto the foreign affairs bill on the recommendation of your Cabinet if the changes you asked for are not made?

The President. I can't conceive of permitting it to become law, because it is an assault on the ability of the President to protect the interests of the American people and to pursue the foreign policy of the country.

And let me say that, again, I have worked with Congressman Gilman, with Chairman Gilman, for 2 years on many issues. I have worked with Republicans in both the House and the Senate. I have appreciated the support, even on controversial issues, given to me by the leadership of the House and the Senate when we were dealing with the very difficult issue of Mexico, for example.

So I do not want to jumpstart what has been—an unusual partisan split over foreign affairs. But while I hope it doesn't happen any time soon, someday there'll be a Republican President here again. And this is about the Presidency. The Presidency cannot be hamstrung. We must allow the President to conduct the foreign policy of the United States in ways that make us safer, more secure, and more prosperous. This bill will undermine that objectives.

And again, I'd say, the one good thing that could come out of this great debate is, every single survey shows that the American people think we're spending 15 to 20 percent of their tax money on foreign aid. When you ask them what the right amount would be, they say, "Oh, about 5 percent." What would be too little? "Under 3 percent." But we're just spending a little more than one percent. We're spending about what the American people think—maybe they think we should spend more. We should not destroy the foreign aid budget.

But, furthermore, we should not handcuff the President. That is not the way to conduct the foreign affairs of this country. You cannot micromanage foreign policy.

Q. So is the answer, you will veto it?

The President. If this bill passes in its present form, I will veto it, yes.

Peace Process in Northern Ireland

Q. Mr. President, the Irish Economic Conference is taking place here this week. I wonder if you could tell us if the tragedy, the terrible tragedy in Oklahoma City, has in any way altered your attitude toward the Sinn Fein party in Northern Ireland or towards Mr. Gerry Adams who has defended terrorist actions in Britain?

The President. As long as he continues to renounce terrorism and as long as they continue on the progress that they—the path that they have set, including the willingness to talk about weapons decommissioning, then I think we're doing the right thing. We are supporting an end to terrorism and the beginning of peace and, I hope, more prosperity in Northern Ireland. That is consistent with our position here. And I think that's the right thing to do.

We're supporting an end to the kind of agonies that the people in Northern Ireland and Great Britain generally have suffered in the last 25 years and that the American people suffered most significantly in Oklahoma City but also at the World Trade Center.

Q. If the Republicans don't make a move on the budget in the areas you've asked them to on Medicare in the context of health care reform and so on, will you still lay out a counterproposal that gets to balance?

The President. Well, when we get into the—when we get into the reconciliation process—I don't believe in idle exercises. When we got into the—look what we did in the rescission bill. I was very specific in dealing with the rescission bill. First of all, I sat down and tried to have a good-faith negotiation at the first opportunity. The first opportunity I had to negotiate in good faith with the Republican majority in Congress was in the United States Senate, and we did it in good faith and in great detail. And we did it in the context of agreeing to meet a target of significant deficit reduction.

Then, when the House and Senate went behind closed doors and put all that pork in the bill and took the education out of it and took the investments in environmental protection out of it, I said we had to make some changes, and I offered a specific alternative in the context of a decisionmaking process where I could have an impact. That is the procedure I will follow in dealing with the larger budget.

If you look at the rescission bill, you will see the way I am prepared to go forward. I will bargain and negotiate and deal in good faith, because I believe in deficit reduction. I believe in a balanced budget. But I also know we've got to invest in the people of this country if we're going to raise their incomes.

Bosnia

Q. You spoke earlier about keeping foreign commitments and why you thought that was important. Two years ago in this room, Secretary of State Warren Christopher said, the clock is ticking on Serb aggression. The blockade of Sarajevo has been tightened, the snipers are back at work. Apparently you're the only person in the world who can stop this. Are you prepared to do more?

The President. Well, I do not—let me just say this: From the beginning of my campaign for President, I said that the one thing I did not think we should do is to send American troops into combat into Bosnia, nor did I believe we could be part of a United Nations mission in Bosnia with the kind of conditions on involvement that have been imposed on the UNPROFOR forces. I do not apologize for that. I think I was right then. I think that has still been the right case, right decision.

Every effort to be more aggressive in promoting peace and fighting aggression in Bosnia that has been made in the last 2 years has been made at the initiative of the United States. I thought for sure after the events of a few days ago, once again NATO airpower would be called into action. And I strongly supported it, and I was very surprised after the commanders on the ground asked for it that the United Nations stopped it.

But I believe that we are doing, at the moment, all we can do. We do not want to collapse the U.N. mission. And I believe the United Nations made a mistake in not calling NATO airpower in when the commanders asked for it. We are still doing the airlift there, now the biggest one in the history of the United States, the biggest one in world history. And we are prepared to do more. But I do not believe the United States has any business sending ground troops there. Yes?

Q. Mr. President, there were talks over the weekend between American industry and Saudi officials to try to expedite the transaction you brokered for Saudi Arabia to buy Boeing and McDonnell-Douglas commercial transports. Do you know what the outcome of those talks were? And do you know if there's going to be further delay in consummating the transaction, or is there a fixed date to close on it?

The President. I'm sorry, I do not know. I have done what I could to make sure that the contract stayed on track, but I do not know.

Thank you very much.

NOTE: The President's 96th news conference began at 2:24 p.m. in the Rose Garden at the White House.

Remarks at the Democratic Congressional Dinner

May 23, 1995

Thank you, Senator Daschle, for your leadership and your stirring introduction and your wise predictions. [*Laughter*] Thank you, Congressman Gephardt, for your leadership and your steadfastness. Congressman Matsui, Senator Dorgan, Senator Kerrey, and Congressman Frost, thank you for taking on the burden of our campaign committees and the hard work of recruiting our candidates and raising our funds and rebuilding our majorities. And thank you, ladies and gentlemen, for being here.

I thank all the Democratic Senators and Members of the House who are here, and many Members of Congress who are former Members of Congress who are here. If you will forgive me, I'd like to ask for a moment of applause for the memory of a former Member of Congress who is not here, Les Aspin, one of the finest people I ever knew. [*Applause*]

This has certainly been an interesting time, hasn't it? [*Laughter*] What's that old adage that we should—somebody should spare us from living in interesting times. It is a great honor and a great obligation for us to have the chance to serve in an interesting and profoundly important time, a time of great change, great opportunity, great dislocation, great difficulty, and great challenge for the people of this country and, therefore, those of us who wish to serve them.

At a time when many are so preoccupied with their own difficulties, it is difficult to sort through the blizzard of information and disinformation they get, even to understand what it is we are trying to do, much less to grasp how it will affect them. But I think, more and more, as time goes on now, the choices before the American people are becoming clearer, and I trust the direction we must take is as well.

We now hear the folks in the other party claiming great high ground for wanting to reduce the deficit and asking us to help. You remember how much help we got from them in the last 2 years? And I would remind you, those of you who voted for that, to remember that by their new 7-year calculations the 1993 budget plan that the Democrats adopted, without any help or even so much as serious discussion, cut the deficit a trillion dollars. They predicted the world would come to an end. Instead, the recession came to an end, and we had lower unemployment, low inflation, a booming stock market; first time in 20 years we've had unemployment among African-Americans below 10 percent; highest number of high-wage jobs in 6 years; a real sense of change in the economy, according to all the numbers.

But that hasn't filtered down to a lot of Americans yet. And that's what I want to talk to you about tonight. What are we doing here? Why are we Democrats? What do we hope to achieve? How do we communicate with the American people? And what does it all mean?

Well, the first thing I want to say is that we should just be grateful that we've had the chance in the last 2 years to do the right things. And we should understand if we failed, either through our own limitations or because of the circumstances of the time, to communicate what we had done to the people of this country, the fact is that in the light of history, the last 2 years will be viewed as a time when we got the deficit down, regained control of our economic destiny, actually invested more in our people and in their education and in their future, and made a serious effort to have the American people move into the 21st century with the American dream alive and well and with our security better protected at home and abroad.

In the last 2 years, we had the most productive time in terms of a partnership between the President and Congress in the last 30 years. And what was done in the crime bill, in the trade legislation, in the family and medical leave law, in act after act after act, was good for the American people. And we should be proud of that, and we should talk about it. And we should move forward.

We should also say to our friends in the other party, we do not intend to do you the way you did us, even though you were richly rewarded for doing it—[*laughter*]—because, unlike you in the last 2 years, we care so much about this country, we'll work with you. But you have to remember what we stand