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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

March 8, 1993

PRESS BRIEFING
BY DEE DEE MYERS

The Briefing Room

5:50 P.M. EST

MS. MYERS: Tomorrow's schedule. The President will meet with the Senate Budget Committee at 9:00 a.m. At 10:35 a.m., he will greet President Mitterrand in the Oval Office.

Q What time?

MS. MYERS: 10:35 a.m. -- there will be a pool op at the top of that meeting. At 12:15 p.m. they will proceed to the East Room for a press conference.

Q How long?

MS. MYERS: The usual half-hour or so.

Q Can you back up -- the Senate budget --

MS. MYERS: Pool. You know what -- let me check. Pool spray at the beginning of the Senate Budget Committee meeting. The Q&A with Presidents Mitterrand and Clinton will last roughly half an hour. Then at 1:00 p.m., they will proceed to the Old Family Dining Room in the Residence for lunch. A little after 2:00 p.m. -- 2:10 p.m. -- the President will escort President Mitterrand to the South Lawn for his departure. And the rest of the afternoon the President will spend in a series of meetings. And then at 7:00 p.m. he will go to the J.W. Marriott for a drop-by at the Strom Thurmond birthday reception, which is closed to the press.

Q That's just a drop-by. He doesn't say --

MS. MYERS: Yes.

Q What birthday is that, a hundred?

Q Ninety.

MS. MYERS: I think there's -- actually this is an issue of some dispute, even by the senators on staff.

Q Can we get a picture of the departure?

MS. MYERS: Of the departure for the reception or him coming --

Q Departure of Mitterrand.

MS. MYERS: Oh, yes.

Q Dee Dee, have you built any translation time into that 30 minutes tomorrow, and also taken into account the length at which Monsieur Mitterrand tends to go on in his answers?

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MS. MYERS: It will be 30 minutes, all inclusive. Thirty minutes, give or take --

Q How much time --

MS. MYERS: Our President gives very succinct answers, to the point.

Q I know, but Mitterrand --

MS. MYERS: Somehow, after watching this press corps roll over the British press corps -- I think they got one question, and I got yelled at. I think you guys will have no trouble.

Q How's Mitterrand getting here? Is he driving down from Dulles. They said he was going to land at Dulles about --

MS. MYERS: I don't have the details on that. Let me just see if it -- he is flying on the Concord.

Q No overnight?

MS. MYERS: I don't know what the rest of his schedule entails. All I show is that he's going to meet him in the Oval Office, so I don't know how the French President will arrive.

Q Did the President make any decisions today on the -- in terms of cuts or --

MS. MYERS: Well, he had a good meeting with the members of the House Budget Committee, and basically agreed to accept \$55 billion in additional cuts over five years, which will be worked out by the committee.

Q Over five years --

MS. MYERS: Over five years. The package that they had proposed was, I think, \$3.7 billion in Fiscal '94.

Q What impact does that have on the stimulus package?

MS. MYERS: The stimulus -- it was none is the answer.

Q How much of that comes out of the spending proposals?

MS. MYERS: None of it comes out of the stimulus package. That was not the proposal discussed today. The rest of it -- we'll have to wait and see what the budget committee comes back with. They haven't made -- some of it --

Q He's bought a pig in a poke on this? He doesn't know how much comes out of the spending proposals?

MS. MYERS: He's willing to move forward and commit to \$55 billion over five years, and we'll work with Congress over the next several months to work that out. But at this point the budget committee has not made all of those through specific recommendations that will get us to \$55 billion. So we'll continue to work on that.

Q He's going to tell the Senate Budget Committee that tomorrow?

MS. MYERS: Yes.

Q Is either supercollider or the space station affected in this \$55 billion?

MS. MYERS: We'll have to wait and see.

Q Well, when you say over the next several months, you mean this is going to show up in the budget resolution that's going to be passed before spring break?

MS. MYERS: The total amount will.

Q -- reflecting the \$55 billion --

MS. MYERS: Correct.

Q And those will be by budget function, right? So, has he signed off on each of the budget categories, but not specific programs?

MS. MYERS: I don't know if he signed off on the specific budget categories or not. I'll have to get back to you on that, or whether he's just willing to work with them to implement it.

Q Has he signed off or is the -- because he's meeting with Senate budget tomorrow, he's not signed off?

MS. MYERS: Well, he basically -- the proposal comes from both, or particularly, the House Budget Committee. And he basically agreed to accept \$55 billion in additional cuts to get to the level that CBO had calculated.

Q What does it bring the cuts -- the total?

MS. MYERS: One hundred forty billion dollars over four years.

Q He's still open to new cuts then. Since these are not new cuts, this is really meeting his original target --

MS. MYERS: It's new specific cuts. But as you know, we believe our numbers are good, but we'll work with Congress to enact \$55 billion in additional cuts over five years to make sure we get \$140 billion in spending cuts.

Q So to clarify, he's just agreed to the figure; he hasn't agreed to from where they'll come.

MS. MYERS: Correct. That is information that's just not available yet. But we'll continue --

Q Nothing is off the table from that \$55 billion?

MS. MYERS: Like what?

Q Like Social Security --

MS. MYERS: Well, I think that there are no plans now in Congress to cut COLAs for Social Security or --

Q Are there any other areas that are off like that?

MS. MYERS: We'll have to wait and see what Congress comes back to. I think it's important to note that there aren't specific plans right now to cut COLAs.

Q Wait a minute, Dee Dee, you said that he disagreed to a number today; he doesn't really know where the money's coming from?

MS. MYERS: The House Budget Committee has not put forward a specifically detailed proposal. They have some --

Q That may be so, but as a general matter, do you have any idea where the money's coming from? I think you do, don't you?

MS. MYERS: Some of it, sure.

Q -- mostly out of domestic discretionary?

MS. MYERS: Some of it is, but we'll have to wait and see specifically what gets worked out.

Q Dee Dee, can you run through the year-by-year cuts that get us to \$55 billion? You said \$3.7 billion --

MS. MYERS: Yes, it's the only one I have right now is Fiscal '94, which is \$3.7 billion.

Q Senator Sasser said that most of the \$50-plus billion would come by stretching out Clinton's long-term investment strategy over a longer period of time. Does the President accept that notion?

MS. MYERS: He's willing to work with Congress to work out the specific details.

Q Is that a yes?

MS. MYERS: We'll have to wait and see how it gets worked out.

Q Dee Dee, this basically just gets you to where you thought you were a couple of weeks ago. In other words, to where you wanted to be before the CBO came in with more negative projections. But the President had said before the CBO projections that he wanted to see more cuts. Do you think that this is going to satisfy the desire of the people out there and people in Congress to cut beyond what the President had proposed?

MS. MYERS: Well, I think clearly that's what the Democrats on the budget committee are indicating that they wanted to see additional cuts. They believe that this additional \$55 billion over five years gets additional cuts. And I think that they feel comfortable going forward with the budget package. We'll see what gets worked out.

If people come forward with additional specific cuts, the President is still willing to look at them. I think people do see this as further cuts. It's a step in the right direction for a lot of people who are concerned that there weren't enough spending cuts.

Q Can follow up for a second? This leaves the deficit in the same place that it would have been before the CBO came in, right? So, why does this count as -- further cuts?

MS. MYERS: Well, it depends on -- I mean, you get into complicated budget calculations and reestimates. And we believe our numbers are good. We used very conservative growth figures. We started at a different baseline than the CBO did. And we used a number of different estimates in the process. Some of the Democrats on the budget committee wanted to see us meet the CBO targets using a different set of calculations, and we're willing to work with them. I think there will be a number of reestimates throughout this process, and I think we'll just have to wait and see how it gets resolved.

Q The CBO is your arbiter of choice, right?

MS. MYERS: The CBO is our arbiter of choice for growth figures but we didn't use CBO's baseline; we used our own baseline, which is -- starts from -- actually starts from a higher deficit number.

Q Dee Dee, why is it that it's -- if the President is going to go along with \$55 billion worth of cuts and you are going to wait and see what they work out in terms of what they are; but when some Republican comes along and says, you ought to cut deeper, you say, well, be specific. This isn't very specific, is it?

MS. MYERS: We're going to work with the members of the committee to get the specific cuts.

Q Well, I know, but you already -- if you've agreed to \$55 billion worth of cuts in advance without even knowing what they are, how can you call on anybody else to, quote, "be specific"?

MS. MYERS: We're going to work with members of the budget committee to get these cuts and we think it's -- we're going to get a good budget resolution out of this process. Soon.

Q Dee Dee, Barney Frank said that Medicare was one of the things that would be exempt from the \$55 billion. Is that something that was specifically discussed in the meeting, and what's the President's position on that?

MS. MYERS: The President's position is that he'll continue to work with the budget committee to work out the specifics, and I don't know if that was taken off the table. We'll have to get back to you on that.

Q Dee Dee, to follow up on Brit's question, doesn't this really contradict what the President has said about, he doesn't want to use these general figures -- like just say we're going to cut this much and figure out the details later. I mean, maybe there are \$55 billion of cuts that the President is willing to make.

MS. MYERS: The President is willing to work with the House Budget Committee to get to the target set in the budget resolution, which will include --

Q Isn't this, in effect, a cap?

MS. MYERS: It will include -- the budget resolution will reflect these additional cuts: \$55 billion over five years. And we'll work to meet those -- work to meet the limits that are set in the resolution.

Q Dee Dee, if the President has already accepted this \$55 billion cut, what's the purpose of tomorrow's meeting with the Senate budget guys?

MS. MYERS: They're consistent. They're working toward the same goal. We think we can get --

Q They want the same thing, but --

MS. MYERS: Senator Sasser was -- said today that he believes that \$55 billion is acceptable.

Q So what's the purpose of the meeting tomorrow morning?

MS. MYERS: To talk about how to reach those targets. There's a lot of details to be discussed, and we expect to have resolution out of the Senate Budget Committee soon as well.

Q Is it fair to assume that in general terms you do in fact know exactly where this is coming from?

MS. MYERS: I don't think exactly, no. But we'll work with the committees to figure it out.

Q Is it fair to assume that since the House budget figures are going to be requiring -- going much further on Pentagon budget cuts than you have proposed --

MS. MYERS: Additional \$55 billion? I don't think you can assume that.

Q The House will ask for some of that to include more Pentagon cuts, defense cuts, than the Senate wants or that the White House has proposed. Are you ready to go ahead and accept more military cuts?

MS. MYERS: The President has said he thinks he's cut the military as much as it can be cut.

Q So that would exempt the military, would it not? What does that mean?

MS. MYERS: Defense cuts?

Q Yes.

MS. MYERS: The military is part of the defense budget.

Q No, but what are you saying? I mean, are you saying that it's exempt?

MS. MYERS: The President has cut as much as he feels he can cut from the military from the Pentagon budget.

Q But Barney Frank told us that there were some cuts for the Pentagon in this budget, though he said not enough to make Sam Nunn fear for the safety of Georgia. If the House Budget Committee wants further cuts in the military budget --

MS. MYERS: Well, we'll have to look and see what they are. I mean, it depends on how much money we're talking about, but the President, again, has said that he thinks he's cut about as much as can be cut from the Pentagon budget and not to look to the Pentagon budget for the \$55 billion in additional cuts. That's not where the bulk of it's going to come from.

Q Is that an absolute statement?

MS. MYERS: That what? Not to look for the \$55 billion to all come out of the defense budget, yes.

Q For any of it to come out of the defense budget?

MS. MYERS: I don't think you can say with any certainty any, but I think don't look for the bulk of those cuts to come out of the defense budget.

Q Now you're saying bulk of the cuts. So some of it --

MS. MYERS: I mean, there may be some -- I mean, I can't say with certainty there won't be some minor adjustments in the defense budget, but that is not where the bulk of the cuts will come from.

Q Dee Dee, on a different subject. Can you -- give any more details on Friday's -- how the President's going to get to the carrier, what sort of logistics there are going to be --

MS. MYERS: We'll fly from here to the carrier.

Q By helicopter?

MS. MYERS: The President will probably fly by helicopter. The press will probably fly some kind of military transport. We're going to take as many people as we can, probably more than a pool, probably anybody that wants to go in probably some kind of aircraft that actually tailhooks onto the carrier.

Q That will cut down signups. (Laughter.)

MS. MYERS: Everybody's going except for the President, who's going to fly some kind of -- it's about probably an hour-plus flight. We expect the Roosevelt to be somewhere around a 100-plus miles off the coast of Virginia by the time we get there.

Q If he went Thursday --

MS. MYERS: We'll probably stay out there for three or so hours and then come back to Washington.

Q Do you know what time -- roughly be back here or the President will be back here?

MS. MYERS: I think -- generally the schedule we're looking for is to leave here late morning and come back late afternoon. It's about an hour-plus flight, maybe an hour-and-a-half there and back, so, you know, it's about a six-hour excursion.

Q Are there no filing facilities?

MS. MYERS: There will be a phone there for the pool and possibly the wires. I don't know quite how it's going to work. There will not be full filing facilities. We'll have to come back here for that.

Q So this will be fed out --

MS. MYERS: There will be a plane that will leave early to take tape back and film back if people want to do that.

Q -- (inaudible) --

MS. MYERS: Yes. Unless Jeff Eller can set up a satellite relay conference out of the ship. No, I don't think that's --

Q Dee Dee, why is the President going to Strom Thurmond's birthday dinner?

MS. MYERS: He was invited and a lot of people are going, so he thought it would be a gesture of goodwill.

Q Is this make nice to Republicans weeks? I mean, what are you guys doing Wednesday?

MS. MYERS: We always make nice with Republicans. Republicans are our friends.

Q George was asked this morning if the President had been on an aircraft carrier before or even any other warships. Have you found that out?

MS. MYERS: I don't have a definitive answer on that.
Sorry.

Q Do you have anything on arrangements for covering
Nixon tonight?

MS. MYERS: There are none. It's closed.

Q Will he sneak in through a back door and sneak out?

MS. MYERS: I don't know exactly what the in and out
arrangements are, but there is no plan for him to go to a stakeout.
Now, if he chooses to do so on his way out, I'm sure you will make
that possible.

Q Are you going to tape the session? Just kidding.
(Laughter.)

THE PRESS: Thank you.

END

6:05 P.M. EST

THE WHITE HOUSE
Office of the Press Secretary

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIAL

March 8, 1993

The Briefing Room

3:00 P.M. EST

SENIOR ADMINISTRATION OFFICIAL: President Clinton's meeting tomorrow with President Mitterrand, the first meeting between the two leaders since the inauguration, obviously a chance to establish a good personal relationship. Also, of course, a chance for President Clinton and President Mitterrand to review what is a very broad and important bilateral-multilateral agenda.

We, the United States, works closely with France and certainly values that cooperation on a broad range of issues. I might cite, for example, the crisis in the former Yugoslavia, Somalia, the Persian Gulf, the relations with Iraq, the effort to ensure that Iraq fully implements all the relevant U.N. Security Council resolutions.

We share an interest in support of democracy and economic reform in Russia, and I'm sure that President Clinton and President Mitterrand will want to discuss in some detail recent developments in Russia. President Mitterrand will be visiting Moscow to see President Yeltsin on the 16th of March. Of course, President Clinton will be meeting President Yeltsin in VanCouver on the 3rd and 4th of April. Foreign Minister Dumas, French Foreign Minister Dumas was in Moscow last week. So we've had quite a bit of contact, each country, and will be having with Russia at the senior level.

We also have, of course, some important issues in the economic area to discuss -- the outlook for the Uruguay Round negotiations, where do we go now to complete those negotiations. We have some other issues perhaps that if time allows which might come up in the economic area -- Airbus, President Mitterrand might be interested in that subject.

That's about it. Questions. No questions. Extraordinary.

Q Where are the French on such measures as tightening the embargo and enforcing the no-fly zone?

SENIOR ADMINISTRATION OFFICIAL: We're talking about the embargo on Serbia-Montenegro? Yes. Well, we've worked very closely with France on all aspects of the embargo, and I don't think there are any differences there. We are concentrating now on ways in which we can make the existing sanctions more effective, and this, of course, involves the joint effort in the Adriatic where both NATO and the Western European Union have ships on station to control -- or prevent access to the Montenegrin ports of Bar and Kotor. We're working together with France and other allies on tightening up control over access to Serbia-Montenegro by road, by rail, and, of course, on the Danube.

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And so I think that will be a subject to be discussed, what more we might be able to do, but there certainly is no -- there are no differences as far as I'm aware between France and the United States on that subject.

Now, as far as the no-fly zone enforcement resolution is concerned, as you know, the United States believes that the Security Council should move to endorse or to adopt a resolution on the enforcement of the no-fly zone which was adopted last October, but without enforcement provisions. We're obviously in touch with all the other members of the Security Council, and particularly the permanent members -- France, Britain, Russia and China. So far, these consultations continue. The United States remains of the view that it would be a good idea to move ahead as a signal of the determination of the Security Council that all the resolutions having to do with former Yugoslavia should be fully complied with.

The French have been, in the past, concerned that adoption of a no-fly zone enforcement resolution might in some way call into question the status of their forces in Bosnia. France has about 2,700 troops in Bosnia as part of the expanded UNPROFOR. Of course, the United Kingdom has forces there, too -- about the same number -- 2,200, 2,300. Both the United Kingdom and France have shown some anxiety about the way in which the Serbian forces might interpret a no-fly zone enforcement resolution. So this dialogue goes on.

Q You don't seem to be pressing very hard for such a resolution anymore. I mean, you seem to have all but given up on such a move because of French and British objections.

SENIOR ADMINISTRATION OFFICIAL: Well, we haven't given up at all. We have not yet convinced our partners that a no-fly zone enforcement resolution should be adopted by the Security Council, and I think perhaps the President and President Mitterrand will be discussing that tomorrow. It's not a unilateral action that the United States can take, but we remain of the view that an enforcement resolution should be part of the response to the crisis in Bosnia. We have not changed our position. We continue --

Q But you are trying to convince them and the British to change their mind --

SENIOR ADMINISTRATION OFFICIAL: We continue to work on this. It is something we believe should be done.

Q In case there would be a multinational force to guarantee an agreement between the three factions in Bosnia, would you be ready to put your ground forces under strictly U.N. command?

SENIOR ADMINISTRATION OFFICIAL: Well, I would refer you to what the Secretary of State said on the 10th of February, and I think the President has made the same point subsequently. That is that the United States would be prepared in the event there is an agreement between the parties endorsed by the Security Council, in the context of the NATO Alliance with other interested countries -- Russia, Eastern European countries, for example -- to participate in the implementation, if you will, enforcement of that resolution or that plan approved by the U.N. Security Council.

Now, we've not gotten to the point where specific types of forces are being specified, what countries will participate and with what source of forces. We're talking about that now with other potential participants. For example, there is discussion going on in NATO now about how NATO might respond if the United Nations asked NATO to provide support for the resolution or for the implementation of the plan. But we're not at the point now where any decisions have been taken on what specific forces the United States might make available.

Q You only briefly touched on trade when you mentioned the Airbus in passing, but there are, as you know, very deep differences, growing differences over trade. How much do you think they're going to get into this? The Foreign Minister was quoted today as saying that the U.S. risks a trade war with the EC.

SENIOR ADMINISTRATION OFFICIAL: Was this Foreign Minister Dumas that was quoted?

Q Yes.

SENIOR ADMINISTRATION OFFICIAL: Well, I haven't seen that quote but -- this is an important part of the transatlantic relationship, the economic component. And obviously, President Clinton has put a lot of emphasis on that in his own statements on the relationship of the United States not only with Europe, but with other principal partners -- Japan, for example.

I personally don't see that we're on the verge of a trade war. We have problems with Western Europe. We have problems with other trading partners; they with us. You mentioned one -- Airbus. We have other issues on the agenda. But we also have a very rich and productive economic relationship with the countries of the European communities, France a principal one among them. I think the important thing for the discussions tomorrow is for the two Presidents to have a full review of where we are on these various issues, bilateral and multilateral, and to determine what we need to do to ensure that we don't move to a trade war because neither party would benefit -- neither the European party, nor the United States would benefit from that state of affairs.

Q Can we expect the President to reiterate some of the things that he has said publicly here? Their Foreign Minister was referring, according to this story, to just in general the attack on what U.S. officials and the President have argued are unfair trade practices. In other words, how high on the agenda is this going to be from the President's side?

SENIOR ADMINISTRATION OFFICIAL: Well, it's difficult to say in the course of a meeting how much time will be devoted to a given set of issues or given agenda item. Obviously, the two Presidents have a lot to discuss tomorrow, beginning with issues such as how to deal with the Bosnian crisis, the situation in Russia. But obviously, the economic issues are an important part of the relationship. But I don't want to give the impression that we're talking or that they're talking about those issues against the backdrop of a crisis.

We have issues that need to be managed, need to be resolved between the United States and Europe, major trading partners. We also have a trade relationship which probably amounts to in the neighborhood of \$200 billion in trade in both directions, hundreds of billions of dollars of investment, and a major shared interest in a successful and productive relationship. So I don't see us moving in the direction of a trade war. We have some issues that need to be looked at, some agricultural trade issues which have been under discussion for a long time -- oil seas, for example, goes back to the middle '80s, maybe even to 1962 if you want to go back that far. Airbus discussions have been with us for some time. We had an agreement last year. The only thing that we've done on Airbus is to say, as is provided under the U.S. agreement with the Community and the four participating Airbus partners, is that we'd like consultations as is provided for under that agreement. And we will be having those consultations.

Q Do you think he's going to discuss Airbus tomorrow?

SENIOR ADMINISTRATION OFFICIAL: Well, I doubt that they'll get into the details of Airbus. It is an issue on the agenda

between the United States and the European partners, and France, of course, is a principal participant.

Q

SENIOR ADMINISTRATION OFFICIAL: Those discussions, those consultations will be definitely at a different level, right.

Q Can you talk a little bit about the role these intermediaries are playing in setting up for the Yeltsin summit? You've got Dumas who just came back. You've got Mitterrand going. What sort of signals are you getting and what sort of signals are you trying to send through these intermediaries?

SENIOR ADMINISTRATION OFFICIAL: We don't have intermediaries involved in setting up the summit between President Clinton and President Yeltsin. Secretary Christopher met with Foreign Minister Kozyrev in Geneva on the 25th and we're in contact with the Russian side making the necessary arrangements. But obviously, we want to find out from President Mitterrand what their impression is of the situation in Russia. Foreign Minister Dumas was just there; he will be going.

We have very, I think, major shared interests with France in developing a coordinated approach to assisting the process of economic reform and democratization in Russia and, of course, the Russian situation is undergoing a certain amount of stress and strain right now. We want to work together with France and other partners in dealing effectively with it. I think that's also the view of the French side. So it's really more a sharing of information and an exchange of ideas about how best to deal with what is a very important shared interest.

Q What is the thinking here on the French suggestions for an emergency G-7 meeting?

SENIOR ADMINISTRATION OFFICIAL: Well, I'll leave that to the President. I might simply say that G-7 meetings, although we're in favor of the idea of informality, that's something that's always stressed in the case of the summits. Everyone complains that the summits are overbureaucratized and routinized and too much planning and so forth. A certain amount of preparation on the summits is probably a good idea if they are to be productive. So we certainly will listen with interest if the President of France proposes, as some have suggested he might, that there be some pre-summit or pre-meeting of the G-7 leaders, but I'll leave it to the President to decide how to respond if that proposal is made.

Q On that subject, President Clinton said the other day they're looking at some innovative things with regard to aid to Russia. Might he discuss some of these innovative things with Mr. Mitterrand, and can you give us an idea what they are?

SENIOR ADMINISTRATION OFFICIAL: As far as innovative things are concerned, we want to find ways in which assistance can be provided most effectively to the process in Russia -- economic reform, political democratization, liberalization. The proposal that was adopted at the summit in Munich last year, involved a package of assistance based in large measure on the role of the International Monetary Fund and the other international financial institutions in one way or another. And what needs to be looked at now is how we can, if you will, find perhaps a better way to assist Russia if that approach, the approach that was adopted last year has not worked, or at least not worked entirely.

So we have some issues that need to be discussed. They won't be resolved, obviously, tomorrow, but points such as how to deal with the debt of the former Soviet Union, which is still out there, the Paris Club discussions, how can the international

financial institutions provide assistance -- these are the sorts of things that need to be looked at.

Q It sounds like you're saying that that idea from Munich hasn't worked. Is that what you're saying?

SENIOR ADMINISTRATION OFFICIAL: It has worked to a degree. A good deal of assistance has been provided to Russia. If you'd look at the numbers, you'll see that, although some of the assistance -- specifically the currency stabilization fund and the IMF program, some of the IBRD support -- that's still outstanding -- a good deal of assistance has been provided.

What can we, collectively and individually, do above and beyond what was agreed to be done in Munich last year to assist this process. Of course, we're not just talking about Russia, we're talking about all of the former Soviet Union -- Ukraine and the other newly independent states.

Q Is the U.S. leaning toward, as you said, creating some -- well, finding some other way -- does that mean creating some new organization, or maybe the G-7 taking it over directly?

SENIOR ADMINISTRATION OFFICIAL: I wouldn't want to get into what specific ideas might be under discussion or under consideration. We're not looking for a new organization. We're not looking for new organizational approaches. We're looking for ways in which assistance can be provided to this process effectively and quickly.

Q To clarify, will the consultations on Airbus take place concurrently with this meeting? What do you have to -- what do you want to consult about? And also, if I might -- will the President have anything to propose on the Uruguay Round?

SENIOR ADMINISTRATION OFFICIAL: As far as the Airbus consultations, the Airbus consultations will be conducted by USTR and those will be at a different level and they won't take place tomorrow. We've requested the consultations as is provided under the agreement in the European Community on the behalf of -- the four Airbus partners have said they agree, that they're prepared to do that. And those will take place -- I'm not sure exactly when. You can check with USTR and see if a date has been agreed. I don't think one has been.

So tomorrow I wouldn't anticipate any specific discussion on Airbus. The agreement, as you know, does provide for exchanges of information on the existing programs and it also, of course, establishes limits for government support of future programs above and beyond the A330, A340 program. So basically this is something that needs to be discussed at the working level, and that's what will take place.

Now, what was the second part of your question -- about the Uruguay Round?

Q Yes, sir. Does he have any proposals to make to get those moving?

SENIOR ADMINISTRATION OFFICIAL: I wouldn't think so -- not at the discussion tomorrow. I think the President and the President of France would want to review the status of the negotiations and what needs to be done, what are the principal obstacles, and how can we best move ahead. The government of France has indicated that for the time being it has some problems with an important part of the package that was agreed last year; namely the Blair House agreement on dealing with the agricultural export subsidy issue. So that is a problem which might be discussed tomorrow, but not in any great detail I wouldn't expect.

Q You don't sound like you're very optimistic about getting anywhere on the Uruguay Round then.

SENIOR ADMINISTRATION OFFICIAL: Well, it's not a bilateral issue between the United States and France. France is not the negotiator in the -- it's an important subject, one that needs to be looked at. And I think the two Presidents need to see where each side is and what we can do right now to move ahead. But I don't anticipate, I don't think you would anticipate negotiations tomorrow at the senior level, at the top level between the United States and France.

Q Why not?

SENIOR ADMINISTRATION OFFICIAL: One point I might just make in this, France does not negotiate directly -- the European Community negotiates for France. So this would not be a negotiation per se.

Q Ambassador Kantor seemed to imply a while back, though, that the administration may have some problems with the Blair House agreement, too. I mean, is there a suggestion here that they might want to reopen it? Is it going to be taken up?

SENIOR ADMINISTRATION OFFICIAL: No.

Q What's the time on the program tomorrow? What time does he arrive?

SENIOR ADMINISTRATION OFFICIAL: The President arrives via Concorde at Dulles, I think around 10:30 a.m. or so and will be coming directly here. He'll have a private session with the President and then a larger working lunch. And I suspect it will all be finished by about 2:00 p.m.

Q And then they have a news conference or something like that?

SENIOR ADMINISTRATION OFFICIAL: Turn to the expert.

MS. MYERS: Yes.

SENIOR ADMINISTRATION OFFICIAL: There will be a press availability at 12:15 p.m., after the private meeting and before the lunch.

Q Sir, what is the state of play on the Blair House agreement? Has there been a formal request to reopen those negotiations?

SENIOR ADMINISTRATION OFFICIAL: No.

Q Will counterterrorism be a part of tomorrow's discussions? If not, was there any contact at the lower levels between the two governments in the blast in New York?

SENIOR ADMINISTRATION OFFICIAL: I'm not aware of any contact between -- specifically involving the World Trade Center explosion between the United States and France, although we do have an ongoing dialogue on questions involving counterterrorism. I'm not sure whether specifically we've talked with them about that. I'm not personally aware of it. I wouldn't think that this would be on the agenda of the meeting between the two Presidents.

Q What sort of discussions might the two Presidents have concerning Russian food aid?

SENIOR ADMINISTRATION OFFICIAL: Well, food aid is obviously an important part of what we do, both the United States and the European Community, in support of Russia and the other new

states. I'm not sure that there's any specific food aid subject on the agenda tomorrow. We, of course, have had some discussions recently with the Russians ourselves when Deputy Prime Minister Shokhin was here last week talking with Secretary Espy and others about conditions for continuation or resumption of U.S. shipments.

I think the European Community has recently shipped some additional food aid to Russia or sales of wheat to Russia. But I wouldn't think that this would be a major subject tomorrow.

Q How does the President propose to pay for any new aid?

SENIOR ADMINISTRATION OFFICIAL: Aid to Russia? Well, there is a proposal that the Freedom Support legislation would be continued and augmented in Fiscal '94, and that, of course, will be submitted to the Congress.

Q Is he going to ask for a new tax?

SENIOR ADMINISTRATION OFFICIAL: This is part of the overall program of assistance and the funds for that will be found within the existing revenue envelope, as I understand it. No new taxes are being requested for assistance to Russia and the new states as far as I'm aware.

Q Do he would have to cut spending someplace else?

SENIOR ADMINISTRATION OFFICIAL: Well, you can readjust within programs. Russia's not the only country that has received assistance from the United States. You can make adjustments. Those are the kinds of adjustments that you make on a year to year basis.

Q Do you expect Mitterrand to raise the problem of the U.S. involvement with Vietnam like they did last month --

SENIOR ADMINISTRATION OFFICIAL: Well, Vietnam is a subject which might be discussed. President Mitterrand was just in Southeast Asia, visited Vietnam. Perhaps he would want to inform President Clinton what his impressions were. We, of course, have some very specific problems with Vietnam that France doesn't have. You had them several years ago, like 1954-55. (Laughter.)

Q There will be important national elections in France at the end of the month.

SENIOR ADMINISTRATION OFFICIAL: Oh, really?
(Laughter.)

Q Some think that the conservatives are going to take over. Is there any feeling in Washington that Mitterrand might be a lame duck President or that he will not -- he's not really representative of what the French government --

SENIOR ADMINISTRATION OFFICIAL: Well, as far as I'm aware, the President's term will conclude in 1995. So we see President Mitterrand as the President of France until he ceases to be President in 1995. The legislative elections are a fact of life on the 21st and 28th of March, and we'll not the outcome with interest as everyone else will.

Q Will the President be offering any specific suggestions on some themes that he's raised in the past, things he'd like other industrialized nations to do -- namely, opening markets, helping Third World countries and former communist countries get their economies moving in order to create bigger export markets for America and other industrialized -- does he have any specific -- he seemed to indicate the other day that he's going to really hammer on this at the G-7 summit. So does he have some specific things he wants France and other countries to do?

SENIOR ADMINISTRATION OFFICIAL: Well, as we look toward the Tokyo summit in July, I think the emphasis in the process, including the discussions tomorrow, but in the meetings of the sherpas leading up to the summit will be on what all of the G-7 partners can do to achieve the objectives you cite -- that is, to set the world economy on a growth pattern and to ensure better trading opportunities for a number of countries -- Russia and the other newly independent states of the former Soviet Union among them. We all have some common objectives there. So I'm sure --

Q But what specific things might the President ask France to do?

SENIOR ADMINISTRATION OFFICIAL: Well, each country has to approach the G-7 summit and this process of macroeconomic policy coordination on the basis of its own domestic policies and its own opportunities, its own possibilities. The United States, of course, is, through the President's initiative on growth, going to be contributing to an increase in world trade. We would think other countries might well be able to do the same. The Japanese are talking about a domestic package. That's the sort of thing that might be discussed in connection with the sherpa process. France may have its own contribution.

Q Are there two sherpas? Who is the sherpa?

SENIOR ADMINISTRATION OFFICIAL: I'm not quite sure who that person will be. It's not -- I really don't know. But there's a team -- someone from the White House side, someone from Treasury, someone from State. It was Mr. Zoellick until recently, but now there will be somebody else. (Laughter.)

Q What happened to Mr. Zoellick?

SENIOR ADMINISTRATION OFFICIAL: Gee, I don't know. But there will be a sherpa. I'm just --

Q I understand that there's two sherpas -- one from State, one from the White House this year, which is an unusual state of affairs. Do you know anything about that?

SENIOR ADMINISTRATION OFFICIAL: Well, I don't know anything about it. I'm sorry, I don't mean to be evasive, but I'm just not sure who it will be. There will be a sherpa team, though, I can assure you of that.

Q I've never doubted that.

SENIOR ADMINISTRATION OFFICIAL: You never doubted that for a moment, did you?

Q Thank you.

END

3:23 P.M. EST

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

March 8, 1993

**PRESIDENT NOMINATES OFFICIALS AT AGRICULTURE, COMMERCE,
HUD, AND U.N.**

(Washington, DC) The President continued the process of filling the subcabinet today, expressing his intent to nominate eight senior officials at the Departments of Agriculture, Commerce, and Housing and Urban Development, and at the U.S. Mission to the United Nations. Named today were:

Michael Stegman, Assistant Secretary for Policy Development and Research, Department of Housing and Urban Development
Everett Ehrlich, Under Secretary for Economic Affairs, Department of Commerce
Eugene Moos, Under Secretary for International Affairs and Commodity Programs, Department of Agriculture
Richard Rominger, Deputy Secretary of Agriculture
Wardell Townsend, Jr., Assistant Secretary for Administration, Department of Agriculture
Francis Vacca, Assistant Secretary for Congressional Relations, Department of Agriculture
Victor Marrero, U.S. Representative to the Economic and Security Council, United Nations
Karl F. (Rick) Indefurth, U.S. Alternative for Special Political Affairs, United Nations

"The people I am asking to serve in my Administration today combine academic achievement with real world experience," said the President. "I am particularly pleased to be naming two family farmers to help run the Department of Agriculture."

Biographical sketches of the nominees are attached.

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BIOGRAPHICAL SKETCHES OF NOMINEES
March 8, 1993

MICHAEL STEGMAN is the Cary C. Boshamer Professor and Chairman of the Department of City and Regional Planning at the University of North Carolina at Chapel Hill. He has been associated with UNC since 1973. He also has extensive practical experience in the housing field. He was Executive Director of the Twentieth Century Fund Task Force on Affordable Housing in 1990-91, and is a Consultant and Expert Witness to the Legal Aid Society of New York and President of the Triangle Housing Partnership. He was Deputy Assistant Secretary for Research at HUD from 1979-81, during which time he chaired the President's Rural Housing Task Force and was a member of the White House Inter-Agency Working Group on the Administration's Small Communities and Rural Development Policy. He holds a B.A. from Brooklyn College of the City University of New York, and Masters and Doctoral degrees in city planning from the University of Pennsylvania.

EVERTT EHRLICH, an expert in economic forecasting and policy planning, is the Vice President for Economic and Financial Planning for the UNISYS Corporation. He has previously held UNISYS Vice President posts responsible for Strategy Development and Economic Analysis. From 1977 to 1988, he served on the staff of the Congressional Budget Office's Natural Resources and Commerce Division as Principal Analyst, Deputy Assistant Director, and then Assistant Director. He holds degrees in economics from the State University of New York at Stony Brook (B.A.) and the University of Michigan (Ph.D), and is the co-author of two books, New Directions in Economic Policy (1984) and Energy Policy Analysis and Congressional Action (1982).

GENE MOOS, a former Congressional staffer with 26 years of experience running a family farm, is the President of Gene Moos & Associates, a Washington, DC lobbying firm. He was formerly a Special Assistant to then-House Majority Leader Thomas S. Foley, Staff Director of the Wheat, Soybeans and Feed Grains Subcommittee of the House Agriculture Committee, and Senior Staff Professional of the House Agriculture Committee. From 1949-1975, he operated his family's wheat farm in Washington. He is a graduate of Washington State University.

RICHARD ROMINGER is a family farmer who raises alfalfa, barley, beans, corn and other crops in California. He has previously served in government as Director of the California Department of Food and Agriculture from 1977 to 1982. During that time, he served terms as President of the Western Association of State Departments of Agriculture and the Western U.S. Agricultural Trade Association. He was also on the Board of Directors of the National Association of State Departments of Agriculture, and is active in a number of professional agricultural associations. He holds a Bachelor of Science degree from the University of California at Davis.

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page two

WARDELL TOWNSEND has served Secretary Espy as Administrative Assistant and Chief of Staff in his House of Representatives office since 1989. He was previously Espy's Legislative Director, and served on the staffs of Representatives Jamie Clarke and Doug Applegate. He has also served as the Business Development Manager of the Cherokee Minority Business Development Center and the Community Development Director of the Henderson County, NC Department of Community Development. He holds a B.S. from Western Carolina University and a M.S.W. from the West Virginia University School of Social Work.

FRANICS VACCA is the President of Vacca and Associates, a private consulting firm in Washington, DC that specializes in agricultural issues. From 1976 to 1990, he was the Vice President for Government Relations for Mid-America Dairymen, Inc. He has also served as Administrative Assistant to Congressman Bob Traxler and California Assembly Minority Leader Jesse Unruh. He is a graduate of Boston College.

VICTOR MARRERO, the Under Secretary of HUD during the Carter Administration and former New York State Commissioner of Housing and Community Renewal, is a partner in the New York City law firm of Brown & Wood. He has also served as Vice Chairman of the New York State Housing Finance Agency, Chairman of the New York City Planning Commission, and as First Assistant Counsel to New York Governor Hugh Carey and New York City Comptroller Harrison Goldin. He has served on numerous State and City Boards and Commissions, and on the Boards of the New York Telephone Company and the Consolidated Edison Company. A native of Puerto Rico and former Fullbright Scholar, Marrero is a graduate of New York University.

RICK INDEFURTH is a Project Director at the Center for National Policy, a Senior Consultant to the Eurasia Foundation, and a working group member at the Georgetown University Institute for the Study of Diplomacy. He was formerly a Professional Staff Member of the Senate Select Committee on Intelligence, Special Assistant to National Security Advisor Zbigniew Brzezinski, and Deputy Staff Director of the Senate Foreign Relations Committee. He also worked as a correspondent for ABC News, where he won an Emmy Award for Outstanding Background Analysis of a Single Current Story. A former Fullbright Scholar, Indefurth holds degrees from the University of North Carolina, Strathclyde University in Scotland, and Princeton University.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 8, 1993

REMARKS BY THE PRESIDENT
TO THE NATIONAL LEAGUE OF CITIES

The Washington Hilton
Washington, D.C.

1:15 P.M. EST

THE PRESIDENT: Thank you very much. Mayor Fraser, ladies and gentlemen. It's a great honor for me to be here. This is a pretty rowdy bunch. (Laughter.) A vital group. A group more interested in change than in more of the status quo, I think. (Applause.)

I look around this audience today, and already, just walking in and looking in the crowd and saying hello to people here at the head table, I see people without whom I would not be standing here today. I thank those of both parties and those who run as independents for your support of this plan. And I say again what I always feel when I'm with a group of people from America's cities and small communities or from the states -- and that is I feel very much at home.

A lot of times my friends ask me what's the difference from being President and having any other kind of job or the life you used to have. The following thing occurred to me the other day in the White House. I was down on the ground floor; I had been out running or something and I was going back up to get ready to start the day's work. And a group of people were coming out who had been at a meeting there -- at another meeting with other people. And I ran into them and stopped and shook hands with them. It was totally an impromptu thing.

And this man who worked at the White House said, "Mr. President, I'm really sorry that you had to confront those people." And I said, "That's all right. I used to be one once." (Laughter and applause.) I look forward to being one again someday. (Laughter.)

The work of this White House has been very much influenced by many of you in this group. And I assure you that you will be represented in the future. We have a strong intergovernmental affairs group that works every day with leaders at the city and county and state level, including Regina Montoya and Loretta Avent, who used to work for you. (Applause.)

Now, we had a bet coming over here. I said, "Loretta, if I mention your name will they boo or clap?" (Laughter.) She won. (Laughter.)

I came here today to ask you to translate the support you have given to the program I have presented to the Congress and to the American people from support to a commitment to secure its approval in the Congress, and to make the change that we seek inevitable and return to the status quo impossible.

MORE

All of you are on the front lines of change. Every day in every way you have to struggle with the things which now confront me as your President. For a long time you've been making tough choices, struggling to balance your books, trying to spend less on yesterday's mistakes and more on tomorrow's needs. You try to put common sense into practice. And now I would like you to ask to help make common sense more common here in your Nation's Capital.

I think everyone now recognizes that we cannot continue on the past course. If we keep on doing just what we've been doing with no fundamental changes, then by the end of the decade the government's annual deficit will be \$650 billion a year, we will be spending 20 percent of our nation's income every year on health care, and our nearest competitor will be spending about 10 percent, and we'll be insuring fewer people than any country with which we compete. And over 20 cents of every dollar the American people pay in taxes to the United States government will be expended just paying interest on the vastly accumulated debt.

We've been spending too much and investing too much and investing too little for quite a long while now. And the result has been slow growth and weak job creation. We've had our private sector handcuffed by high interest rates and inadequate investment, a work force inadequate to the needs of the 21st century and an economic program equally inadequate. If we keep on doing business as usual, we'll just stumble into the next century burdened by the baggage of the past. But if we have the courage to change, the next 20 years could be the best in our nation's history. (Applause.)

When I introduced my plan to the Congress just 19 days ago, I asked all of us to ask of this plan not what's in it for me but what's in it for us. And people have responded in astonishing ways, but I suppose predictable ways if you look at the history of the American people.

All across this country people have been taking off their special interest hats and putting on their thinking caps. Business and labor, Republicans and Democrats, people from every walk of life and all points on the political spectrum have rallied behind this plan as a vehicle to move this country forward. I think everybody who seriously thinks about it understands that the great issue now is no longer Republican versus Democrat, urban versus rural, liberal versus conservative. It is whether we will stay in this gridlock that you have buttons campaigning against, or have the courage to change in ways that allow all our people to live up to the fullest of their potential. (Applause.) Even if I start preaching I promise not to pass the plate. (Laughter and applause.)

You would be amazed how many times in the last year I would be in a little town or along some country crossroads and people would say to me they were worried about what happened in Los Angeles. You would be amazed how many times I was in a community that was 99 percent one ethnic group and somebody would say they wished that we could work out a way for the ethnic diversity of America to be a source of our strength.

You would be amazed how many times I was in groups of people, all of whom had incomes above \$150,000 a year, when they said to me, isn't there something we can do about homelessness in America. I think the people of this country are dying to come together again and make this country work again. (Applause.)

Nonetheless, let us be clear on this: There are people who are honestly debating whether this three-pronged plan is the right thing to do for the country. There are some who say, well, of course, I want you to cut spending; and as a matter of fact, if you'll cut her spending more, you could cut mine a little less. (Laughter.) And there are others who say, well, I know you have to

raise taxes, but I wish you wouldn't raise this one or that one so much; raise the upper income taxes less or do away with the energy tax, or put it all on gasoline, which is harder on the rural states and the western states, but let natural gas and oil off the hook.

And then there are those -- and I want to talk to you about them today because you are not among them, but I need your help to deal with it -- who say, well, if you cut the spending and raise the taxes and didn't invest any new money in anything, you'd have more deficit reduction; or if you cut the spending and didn't invest any new money in anything, you wouldn't have to raise quite so many taxes. And, after all, if the government spends a dollar, it's government spending.

One of the central debates now raging in this capital is whether there is any difference in the kinds of government spending. Is there a distinction to be made between, for example, spending more for the same health care every year and accelerating the funding of the Surface Transportation Act? Is there a distinction to be made between a subsidy that was justified 50 years ago because we needed more wool in our uniforms and a subsidy that might be justified tomorrow to give to people who start new businesses and new high-tech enterprises to grow jobs for the future.

The people who say we do not need this economic stimulus plan and we do not need so much investment either argue one of two points. They either say, all government spending is bad and there is no distinction to be made -- something until recent times every Republican and Democratic officeholder in America, from the top to the bottom, would have disagreed with. Dwight Eisenhower knew there was a difference between the interstate highway system and paying to maintain the status quo of government programs that didn't work.

Everybody always recognized that distinction before, but there are a lot of people who have had a lot of sway in this town for years now who really argued that there are no distinction to be made. There are others who say, well, the economy is recovering anyway and everything is going to be hunky-dory, so all you have to do is worry about reducing the deficit.

Now, their view of what we ought to do might be characterized as "status quo-lite." (Laughter.) That is -- yeah, I know you got to change on the cutting side and maybe we have to have a little tax increase, but there is no distinction between kinds of government spending and besides, the economy is in great shape; we just don't know it yet. (Laughter.)

Now, let's be candid. We do have some good economic news in the aggregate. And last month, for the first time really in a very, very long time, we had a significant number of new jobs. But if you look behind those numbers you see that while employment is edging up, an awful lot of those jobs were part-time jobs with part-time wages which rarely provide the health care benefits that families so desperately need today.

To build a stronger recovery with real jobs and rising incomes, we'll have to break the gridlock that has paralyzed public action, cut the deficit and invest more in the future. (Applause.) If you look at our economic performance over the last dozen years and you say, describe the ways in which America has not been competitive with other nations that are growing faster, and you had to list them -- you just think of what you would list. You would say, well, the deficit grew more rapidly than it did in Japan, for example. And America spent a higher percentage of its income on health care than any other country in the world by far, even though we did less with it in terms of covering people.

You'd also have to say, however, our investment in the things that make a country rich and strong actually went down in several areas -- in our infrastructure, in K through 12 education -- nine nations in the world invest a higher percentage of their income in K through 12 education than we do, even though we have more diversity by race and income, which would argue for greater efforts in our nation.

So it is simply -- (applause) -- if you look at the United States budget just over the last four years, you will see we spent more on Medicaid and Medicare and food stamps with over one in ten Americans on food stamps, and more on interest in the debt, and relatively less on everything else. The investments which would make us richer as a country, which will grow the economy, which will put people back to work, which will reduce our reliance on public assistance and increase our ability to support each other.

So I would argue to you, my fellow Americans, that we have to argue in this community where the ultimate decision will be made, number one, that we need to pass the whole program; number two, there are jobs still begging to be created out there; number three, there are differences in the quality and character of government spending, whether it is in the smallest community of this country or the United States budget. There are differences. (Applause.)

The stimulus plan I have asked the Congress to adopt, along with the spending cuts, the investment increase, and the tax increase itself, will create a half a million new jobs in the short run. The economic program, if it is fully enacted, will create 8 million jobs over the long run -- that is, in this four year period -- the vast majority of them in the private sector.

This plan is based on values that are central to what makes America work and what has always made American work -- work and family and faith, responsibility and community and opportunity. I think the change obviously has to start at the top. I have presented a budget, which in the next fiscal year will cut the White House staff by 25 percent and save \$10 million in privileges and perks and payroll. I have reduced the administrative costs of the Executive Branch by 14 percent over four years and, by attrition payroll, \$100,000 over four years, saving \$9 billion. (Applause.)

I have asked the Congress to freeze the pay of federal employees next year and then to lower it by one percent less than would otherwise be the cost of living for the succeeding three years, savings billions more dollars and asking a substantial, a very substantial sacrifice from the federal work force because I thought that was important before I could ask the taxpayers to contribute more.

And last Wednesday, I asked the Vice President to head a national performance review of every government agency and every government program. (Applause.) Not simply to identify more specific spending cuts, but also to identify services that don't work and things that can be done better. (Applause.) To do what the smartest private companies and the best local governments are already doing -- streamlining operations, eliminating unnecessary layers of management, empowering front-line workers in holding our investments up to the clear light of day to see whether they make sense.

I have proposed already 150 specific spending cuts, saving \$247 billion. And that's much more than the cost of the net new investments I have proposed. I ask you to join me now in fighting for these investments and in cutting back the spending, but not in doing one without the other.

For example, our plan calls for ending the Designated Project Program at the Department of Housing and Urban Development.

It spends over \$100 million a year without any published selection criteria or competitive procedures or basic accountability. But if you join me in cutting that program, I also ask that you support what I know you believe in and what we have to say to the Congress is worth doing -- doubling the number of housing vouchers for working people on moderate incomes, creating a network of community development banks -- (applause) -- bringing new opportunities to our communities through enterprise zones and doing something to reinvigorate the housing programs of this country. These things can be done together.

I ask you to help me reduce low-priority highway demonstration projects by \$1 billion, but also for calling in the new investments we need. We ought to fully fund the Surface Transportation Act and do it quickly. (Applause.) And we should recognize that transportation offers enormous economic opportunities to increased productivity and jobs. So we have to look at mass transit, high-speed rails, smart cars, smart highways and commercial aviation as we move toward the 21st century. If we want this economy to grow, we have to do those things. (Applause.)

This plan calls for cutting \$300 million in ear-marked small business loans, but also calls for the most dramatic effort in the history of America that I can determine, at least, from our research to help small business create jobs: a permanent investment tax credit for small businesses. (Applause.) Ninety percent of the employers in this country with 40 percent of the employees creating the vast majority of the new jobs -- a new venture capital gains tax for people who will start new businesses and have the courage to begin being on the cutting edge of change, and real steps which we will announce in a couple of days to try to end the credit crunch and the lack of availability of credit to small businesses who have to provide the jobs of today and tomorrow. (Applause.)

In short, we have to cut and we have to invest. We have to reject trickle-down economics, and we have to reject tax-and-spend economics. We have to stop spending money on things that don't work, but we have to continue to invest in things that do. (Applause.)

A lot of the things that we propose to do are literally direct investment incentives to the private sector. I mentioned a couple already -- the \$3 billion permanent small business investment tax credit; some significant changes in the way taxes are computer for our larger businesses so that when they do invest in new plant and new equipment and new jobs for our people, they will be rewarded, not punished, by the tax system. If people do what's right, they should be supported. We should make a distinction between how private companies spend their money. And when they invest to grow and to create jobs, they should be rewarded for that. And that's what we're trying to do in the tax system. (Applause.)

In addition to those things I have already mentioned, I recommended a significant increase, about \$2.5 billion -- the first one in a very long time, as all of you know -- in the community development block grant program. (Applause.)

I can say with confidence as a Governor that that program was absolutely critical to helping many of the smaller and moderate-sized communities in my state attract new jobs in the tough decade of the 1980s and that without it I do not know if we would have been able to do so. There are people in this audience from my state who know that is true because they have personally experienced it. And I think that is true all across the country.

We simply cannot afford not to invest what it takes to make our communities attractive to new businesses and new jobs. And if anyone here in this community tells you that the economy is fine

in America, tell them where you live there's still a little work to be done. (Applause.)

I want to hammer this home as hard as I can. This is the first recovery, economic recovery in my lifetime where, if you look at the overall numbers, it really does look like a recovery is underway -- productivity is increasing, American businesses are doing a better job. A lot of things are going on, but the jobs themselves are not yet being created. And we are facing other problems which may further put pressure on some communities, including the imperative of continuing to reduce the defense budget. We have got to follow a jobs strategy. We have got to do that.

Now, one of the things that I've tried to do, as all of you know, is to reduce the deficit, because if we do we'll reduce interest rates. And if you keep interest rates down, and people go out and refinance their businesses, their homes, their cars, their credit cards, they'll have more cash; they can invest it and make this economy grow. That is also happening.

If we can keep interest rates -- interest rates just since the election have gone down long-term almost one full point. If we can keep them down and everybody -- all of you and all of the people you represent will go out and refinance all the debt they've piled up in the 1980s, that will free up another \$80 billion to \$90 billion to \$100 billion this next year to grow this economy. That's important, but we also have to get some real investment incentives, public and private. Unless we create jobs, we cannot claim to have done anything to promote an economic recovery that affects the lives of the people that you see on the street every day. (Applause.)

Let me also say, in addition to creating an economic environment in which there is investment, we also have to do what we can in common to prepare our people for those challenges. And we have to recognize the fact that in many ways, America has not done a good job of preparing its people. Example number one, to begin with children, all the nations in this hemisphere, only two -- only two, Haiti and Bolivia, have lower immunization rates against preventable childhood diseases than the United States of America where all of the vaccine is made. Only two. We have proposed in this program, starting with the stimulus package, an effort that will permit us over the next few years to immunize all the kids in this country against preventable childhood diseases. (Applause.)

The estimates are that for every dollar we spend immunizing children against those diseases we'll save \$10 down the road in the care that will otherwise be spent on them. But in order to make those estimates right, you have to have a critical core threshold of young children who are immunized. And we are running the risk of falling dangerously below that threshold in many areas and having new epidemics of disease break out among our children simply because we do not provide either the infrastructure in order to do that, or the affordability and availability of the vaccines. We must do that.

Let me give you one other example. The Head Start program where it is fully and firmly implemented, along with other support services, plainly saves more money than it costs in the terms of keeping kids in school and making them successful, in helping them to graduate and do well. And yet for years we've all talked about fully funding the Head Start program and supporting other efforts like in-school, pre-school programs or parent-based pre-school programs, yet we've never really done it. Congress and the previous administration did expand the Head Start program some, but there are still enormous numbers of children who are not able to access those services. This budget starting this summer fully funds the Head Start program. (Applause.) And we ought to pass that. (Applause.)

If we begin this summer and we work for the next three years, just think what it will be like. Wouldn't it be nice to be able to say we've actually done something so we can go and work on a new problem? (Applause.) Wouldn't it be nice if in the next election cycle in 1996 no one could argue about Head Start or immunization, they had to argue about something else? (Laughter.) I mean, somebody asked me one time what my goal as President was, and I said that I'd like to leave my successor a new set of problems. (Laughter and applause.) You think about it. (Applause.)

This plan will create about 700,000 summer jobs for people in this country. (Applause.) And we are attempting to mobilize private sector employers to match what we're doing with the goal of creating over a million jobs. Think about it. Think about how many young people in this country have been surrounded by devastating economic conditions year in and year out for the last several years. They flip on the television and they see another ad telling them what they ought to say no to. Well, I'm all for telling them what they ought to say no to. But I think we should set an example and give them something to say yes to as well. (Applause.)

This plan will give our country the most ambitious system of lifelong learning we have ever had: programs for high school dropouts and others to learn to read adequately and get their high school equivalency; programs for young people to be able to borrow the money they need to go to college and pay it back on far more favorable terms, or with service to our country here at home as police officers or teachers or in other forms of community service; programs for adults who lose their jobs because of defense cutbacks or because of sweeping changes in the global economy, to get serious, serious opportunities to retrain in areas where there are jobs available, tied to incentives to getting investments for those new jobs in their communities. Not just talking about it -- this plan gets serious about it. We have almost \$5 billion for the retraining of adults in the work force alone in the next four years in this program, and it needs to pass. (Applause.)

And anybody who says that this recovery will just do fine without a serious attempt to retrain the work force has not been to California lately to see what's happened in the industries where the defense cuts occurred, have not been in the rural parts of America to see what has happened when a lot of those low-wage, low-skilled, high labor-intensive manufacturing plants closed down and moved overseas with no plans to retrain or reinvest in those communities, or all the places in-between.

There is too much work to be done. We need a partnership and it has to begin with making sure the people of this country can compete and win in the global economy. And that requires some investment. And there is a difference between whether you spend money making people stronger and smarter and safer and more secure and more able to compete, and whether you just keep spending more money on the same thing. There is a difference. And this program is different. (Applause.)

This plan will enable us over the next couple of years to work with you to put 100,000 more police officers on the streets of the cities of this country. (Applause.) They are cities which have actually seen a reduction in the crime rate, either in specific neighborhoods or in the cities as a whole, in the last few years, cities here represented in this room when they've gone to community policing strategies. You know it works. I know it works. And we know most cities don't have enough money to do it right. We're going to help you through giving people incentives who are coming out of the service to be police officers, through giving people incentives to be police officers as a way of paying for their college education; and through, I hope and pray, passing the crime bill, which didn't

quite make it through last year, to put these police officers on the street. (Applause.)

One of the most remarkable aspects of this program is one that hasn't received a great deal of attention and doesn't involve you directly, but it will shape the communities you lead and govern indirectly, and that is the astonishing increase in this program in the refundable earned income tax credit for working people. Not only to offset the impacts of the energy tax on families with incomes under \$30,000, but also, so that we can finally say in this country, if this earned income tax credit passes as it will be presented, that if you work 40 hours a week and you have children in the home, you should not be in poverty. And the tax system will lift you out and reward work. It will reward work. (Applause.)

Imagine it -- just imagine. Politicians for years have been saying they wanted to award work, not welfare. Now, by adopting a simple bill that says the tax system will reward work, not welfare, we can give people something new to argue about. (Applause.) It would be a great thing to do.

I ask for your help again. The big issue is, should we do all these things -- should we cut spending, should we raise revenues, should we increase investment so that the deficit goes down while investment goes up -- this country has never tried to do this before. You've got to be fair to the members of the United States Congress. We are asking them to do something our country has never tried to do before, which is to hammer the deficit down and increase investment significantly at the same time. But you know where you live -- you can see it every day that we have to do both. We have to do both. (Applause.)

And so I say again, in closing, I thank you for your endorsement of this program. It made me feel great. I want every member of the United States House and Senate to know that you not only endorsed it, but that you believe in it. And that not because -- (applause) -- not just because of what you get out of it, but --

PERSON ON AUDIENCE: What about drugs?

THE PRESIDENT: You want to talk? (Applause.) I'll be glad. This program has a lot in it, actually, about drugs. It has a significant increase -- a significant increase in funds for drug treatments and gives you -- (applause) --and gives you, through providing 100,000 more police officers, the power to combat drugs on the street. It does both things. It increases enforcement and treatment, which I would think you would want. (Applause.)

But that makes a good point -- is that spending or is that an investment? You have to decide. But you have got to give the Congress courage to do this. And you have to help people understand that in this group there were Republicans and Democrats, and city people and country people, people from the frost belt and the sun belt and the rust belt and the Bible belt -- (laughter) -- people like me that have to get bigger belts every year. (Laughter.) You can do that. And if we can do that, we've got a real shot to sit here in honest discussion year in and year out and face these problems.

You know, how many years have you been coming up here and listening to this debate and it doesn't bear any relationship to the life you live when you go back home. (Applause.) How many -- really. I mean, whether it's a discussion about drugs where somebody just talks about getting tough on crime and nobody ever gets down to what they're going to do to help you deal with the problem where you live, or jobs and somebody rails against taxes and the deficit and then every year the deficit goes up and so do taxes. Or just how many years have you been coming here listening to these debates when nothing ever changed.

And I just want to tell you, as I said to the Congress, there is plenty of blame to go around, this is not about party. And I don't care who is to blame. I'm prepared to take responsibility. I'm more than willing to face the heat and if something goes wrong I'll take responsibility for that and change change it. But let's do something -- (applause) -- and let's do it now. (Applause.)

Thank you. (Applause.)

END

1:50 P.M. EST

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

March 8, 1993

TO REVOKE PROCLAMATION NO. 6491 OF OCTOBER 14, 1992

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS, the provisions of the Davis-Bacon Act of March 3, 1931 (46 Stat. 1494, as amended), and the provisions of all other acts, Executive orders, proclamations, rules, regulations, or other directives providing for the payment of locally prevailing wages, which provisions are dependent upon determinations by the Secretary of Labor under the Davis-Bacon Act, were suspended by Proclamation No. 6491 of October 14, 1992, within specified geographic areas affected by Hurricanes Andrew and Iniki until otherwise provided;

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, do by this Proclamation revoke Proclamation No. 6491 of October 14, 1992, as to all construction contracts for which bids are opened or negotiations concluded on or after fifteen (15) days after the date of this Proclamation, whether direct Federal construction or federally assisted construction subject to Proclamation No. 6491.

IN WITNESS WHEREOF, I have hereunto set my hand this sixth day of March, 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 seventeenth.

WILLIAM J. CLINTON

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

March 8, 1993

PRESS BRIEFING
BY GEORGE STEPHANOPOULOS

The Briefing Room

11:40 A.M. EST

MR. STEPHANOPOULOS: As you know, the President is speaking to the National League of Cities later this afternoon. And now we'll take any questions.

Q He's seeing Nixon at what time?

MR. STEPHANOPOULOS: At 6:30 p.m.

Q At 6:30 p.m.?

Q Is it a dinner?

MR. STEPHANOPOULOS: No, I think it's just a meeting.

Q Will we be getting a briefing afterwards?

MR. STEPHANOPOULOS: I doubt it.

Q Any picture or any coverage of that?

MR. STEPHANOPOULOS: No.

Q Why, are you ashamed of it?

MR. STEPHANOPOULOS: Not at all. The President is looking forward to meeting with him.

Q Well, why isn't there a picture? A former President coming to the White House.

MR. STEPHANOPOULOS: They're having a private meeting in the Residence.

Q Considering the fragile nature of the economy in California, how does the President propose to support base closings, which could lead to massive layoffs there and in South Carolina and Connecticut, and other areas where the economy still has not picked up?

MR. STEPHANOPOULOS: Well, as you know, the President is quite concerned with the economic situation in California and that's why he believes so strongly that we must move quickly on his stimulus and investment package, which will provide great benefits to the state of California. He also wants to move quickly on a defense conversation package and release the funds that his predecessors have never released so that we can have money for training and the revitalization of communities that are affected by the defense cuts.

Q How will the stimulus package have any effect on defense conversions?

MORE

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MR. STEPHANOPOULOS: Well, I said the stimulus package and defense conversion. The stimulus package will create summer jobs, it will provide money for Head Start, it will provide much-needed funding for roads and bridges that will create jobs both in California and the rest of the country. It also has private sector incentives, including the investment tax credit, which we hope will provide a much needed infusion of capital into the California economy and the rest of the country.

Q Well, specifically, what are the President's defense conversion plans?

MR. STEPHANOPOULOS: The President has provided money in his budget for defense conversion. There's also money that he's looking forward to releasing as quickly as possible for retraining and revitalization. And he'll be having an announcement on that later this week.

Q Does he think California should be exempted from the base closings, given the high unemployment in that state?

MR. STEPHANOPOULOS: The President believes we must do everything we can to make sure we have the investments we need in California. But, again, he -- no decisions have been made on the base closings yet. As you know, the Secretary of Defense makes the recommendations to the base closing commission later this week, and nothing is presented to the President until July 1st.

Q George, the story off the Hill in The Washington Post this morning is that House Democrats on the Budget Committee there are eyeing the stimulus package for further cuts. Is the President willing to go along with some compromise on that if it is the collective will of those House Democrats, or does he feel the stimulus thing has to come as a piece?

MR. STEPHANOPOULOS: The President is meeting with members of the House Budget Committee today and he'll be meeting with members of the Senate Budget Committee tomorrow, as you know. He believes the stimulus package is vitally important both in the short-term to help make sure this recovery stays alive and to help make sure that we do what we can to create jobs in what so far has been a jobless recovery. He believes that we need these investments now. At the same time, he is working with the Budget Committees for quick passage of the resolutions and we're looking forward to that.

Q Well, is it more important to have a psychological impact of some stimulus rather than have necessarily the whole package?

MR. STEPHANOPOULOS: The President believes it's important to pass his initiatives as quickly as possible, and he believes that we need a stimulus package now to ensure that this recovery stays on track.

Q Do you need the whole thing, though?

MR. STEPHANOPOULOS: The President has sent up a good proposal to the Congress and he hopes they consider it expeditiously.

Q George, what about these proposals to cut \$50 billion over the next five years -- \$3 billion or \$4 billion over Fiscal '94, as a means to get the compromise budget resolution through?

MR. STEPHANOPOULOS: Well, as you know, we're continuing the discussions with the Budget Committees today and the President

has always said that he is open to the possibility of more spending cuts and that he wants to review them. We will continue to work with them and will work with them through the markups and House passage.

Q George, do you have any further elaboration on the President's statements Friday regarding the World Trade Center? Did he mean to imply that he might take action against any groups or countries if they're found responsible for this act?

MR. STEPHANOPOULOS: Well, I mean, the President's first statement is that we must wait until the investigation is done, and we intend to do that. The investigation is continuing, it is not yet completed. And I think that we can't go much beyond that until the investigation is done.

Obviously, as the President stated, if we are clear on who is responsible and what exactly happened, he will consider taking the appropriate action.

Q George, you haven't really been responsive to the question about compromise on the economic stimulus package. Is the President wedded to the \$30 billion figure, or is there room for maneuver on that, is there room for a deal with the Hill?

MR. STEPHANOPOULOS: The President believes we should pass the stimulus package as quickly as possible.

Q The \$30 billion?

MR. STEPHANOPOULOS: Well, he has sent up a package that is now being considered by the Congress. He wants them to move on it quickly.

Q But is there room for maneuver? Is there room for compromise?

MR. STEPHANOPOULOS: The Congress always acts on the President's proposals, and I'm certain that they will look at this over the next several weeks. Right now, we would like the Congress to take a look at this package and to pass it as quickly as possible.

Q George, do you want an up or down vote then on your stimulus package in some what way, or are you willing to see that adjusted beforehand?

MR. STEPHANOPOULOS: The Congress sets the own rules on how they're going to vote for the packages. If they have some suggestions, obviously, we're willing to take a look at them. But the President has sent up his proposal, and he wants it to be acted on quickly.

Q Tell us more about the Nixon meeting -- who arranged it, and what's the purpose.

MR. STEPHANOPOULOS: As you know, the President spoke with President Nixon last week. He called President Nixon, and they talked for, I believe, about 40 minutes --

Q Why did he call him?

MR. STEPHANOPOULOS: Because he believes, as you know, President Nixon had returned from Russia. He went on a trip last month, I believe. And the President wanted to find out from him his impressions of the state of the Russian economy and his specific ideas on what the U.S. and its allies might do to help Russia at this time.

Q Was he asked to call him by Strauss and Dole?

MR. STEPHANOPOULOS: Oh, I don't know about that, but the President was very gratified by the conversation.

Q And he invited Nixon to come here?

MR. STEPHANOPOULOS: Yes.

Q Is this the first time they've met?

MR. STEPHANOPOULOS: I think it is, yes. I think they've talked in the past, but I think this is the first time they've met in person. I couldn't swear to it, and I'll double-check, but I think it is.

Q Is it over dinner?

MR. STEPHANOPOULOS: I don't think so.

Q Doesn't he think it's odd that he keeps consulting Republican past Presidents?

MR. STEPHANOPOULOS: Not at all. He's willing to talk to Republicans and Democrats alike if they have good ideas.

Q They nearly all are Republicans now. (Laughter.)

Q George, why is he meeting the former President if they've already spoken? What's the purpose --

MR. STEPHANOPOULOS: So that they can have a more in-depth conversation on the situation in Russia.

Q That's the purpose, is Russia?

MR. STEPHANOPOULOS: Yes.

Q And is it a dinner?

MR. STEPHANOPOULOS: No.

Q Is he prepping for the summit to get his ideas?

MR. STEPHANOPOULOS: He's looking forward to former President Nixon's ideas on the summit, yes.

Q Will the First Lady be meeting with President Nixon?

MR. STEPHANOPOULOS: Not that I know of.

Q Over the weekend, U.N. officials seem to suggest that U.N. troops might ultimately be used not just in peacekeeping in Bosnia, but to also remove Serbs from areas in which -- that they now control, were that not to be the case under the map. Is it the President's view that that's an appropriate role for U.S. ground troops?

MR. STEPHANOPOULOS: We had no discussions at all on anything beyond what we've said in the past, which is that we would contemplate the use of U.S. force to enforce an agreement that is already made. We are not going to get involved, we have had no discussions on using U.S. troops in any kind of peacemaking mission.

Q Well, what's the interpretation then of enforce if enforcing would involve physically removing the Serbs from one area to another in order for this peace agreement to hold?

MR. STEPHANOPOULOS: Again, we haven't had any discussions about that at all. We believe that we want to use the troops if they're needed to enforce an agreement that has already been reached by all sides. And we're just doing everything we can now to make sure that we put the maximum pressure on all sides to come to the negotiating table and reach an agreement. And, frankly, we're quite hopeful that when President Izetbegovic returns later this week we will be closer to an agreement.

Q You said you'd be looking into ways to increase pressure on Serbia and ethnic Serbs in Bosnia. Come up with any specifics?

MR. STEPHANOPOULOS: Yes. In fact, our teams had productive discussions with the other CSCE states including, along with Hungary, Romania, Bulgaria, the Ukraine, Croatia, Albania, and Macedonia. And they agreed to join us in pressing for better controls over transshipments, increased technical support for neighboring states --

Q Can you slow down please?

MR. STEPHANOPOULOS: Sure. Increased technical support for neighboring states, expansion of the sanctions, assistance missions, more stringent implementation of financial sanctions, and punishment for any violators. So we did get agreements from both teams with the CSCE SAMS groups, and they've reported back over the weekend.

Q Can you give us some details about the financial sanctions?

MR. STEPHANOPOULOS: No, this is all the detail I have at this time.

Q George, can I follow on that? Why would you expect these relatively sort of fine-tuning type measures to be more effective than the more major steps that have already been taken?

MR. STEPHANOPOULOS: We believe we have had some success with these sanctions. I would just also give you an update -- we have more on the Maria that was captured in the Seychelles and the deflagging of the Dimitrakis by Malta. Many other nations are indicating that they support these actions now, and we believe that the more cooperation we have from our allies, the better chance we'll have of actually tightening the sanctions and increasing pressure on Serbia.

I should just -- let me give you this further report on the Maria. Authorities in the Seychelles are investigating the captain and the crew for any contraventions to domestic law and sanctions violations, and soldiers are now unloading the ship's cargo of arms and ammunition. The Dimitrakis is presently in Cairo, where Egyptian authorities are conducting investigations of sanctions violations. Both of these are Greek-owned and the government in Greece is actively pursuing the investigations as well.

Q Two questions, totally unrelated. One, can you enlighten us on Friday's trip?

MR. STEPHANOPOULOS: We don't have the final details yet, but we believe the President is going to be out visiting the

U.S. Theodore Roosevelt, which is leaving on Thursday for the Mediterranean.

Q So this is not an economic trip? This is on another subject?

MR. STEPHANOPOULOS: He is -- we will, hopefully, have announcements on defense conversion by the end of the week, but he also wants to take the opportunity to meet the troops.

Q Is he going to be Norfolk --

Q Where is the ship?

MR. STEPHANOPOULOS: Friday, I'm sorry. It's leaving Thursday and the President will be hooking up with it Friday.

Q Off where?

Q Off of Norfolk?

MR. STEPHANOPOULOS: Yes.

Q Is he going to take a -- is he taking a helicopter or a --

MR. STEPHANOPOULOS: I don't have the details yet of how he's getting out there.

Q At Norfolk?

MR. STEPHANOPOULOS: Yes, off Norfolk.

Q Why doesn't he go a day early before it leaves?

MR. STEPHANOPOULOS: It will be taking off from Norfolk.

Q So it will be a very short trip.

MR. STEPHANOPOULOS: A day trip.

Q Then there's no travel on Saturday?

MR. STEPHANOPOULOS: None. (Laughter.) To the great delight of the press corps, obviously. And the staff. And the staff.

Q George, the second one's perhaps more whimsical, but do these ties or anything else have anything to do with furthering the President's comments on MTV about doing for the Beatles what he did for Fleetwood Mac?

MR. STEPHANOPOULOS: I don't think that these ties are authorized by the President, but we'll have to check. (Laughter.)

Q Where is this ship --

Q -- done anything in furtherance of that idea?

MR. STEPHANOPOULOS: Nothing yet, no.

Q The ship is going where?

MR. STEPHANOPOULOS: Heading towards the Mediterranean. It's a normal deployment.

Q Yugoslavia?

MR. STEPHANOPOULOS: I don't believe so.

Q So he goes down to Norfolk and then, what, is choppered out to the ship?

MR. STEPHANOPOULOS: I believe so, yes. I don't know exactly how he gets out there. I believe that's it.

Q What ship is it again?

MR. STEPHANOPOULOS: The Theodore Roosevelt.

Q Is he making any remarks in Norfolk?

MR. STEPHANOPOULOS: I think he'll speak on the ship, on board.

Q As it sails --

MR. STEPHANOPOULOS: Yes. Excuse me?

Q Are you taking the press corps out to the ship?

MR. STEPHANOPOULOS: We'll try.

Q Great.

Q On the defense conversion, there are a couple different elements or more. Is he talking about helping communities that suffer when a base is closed nearby, or is he talking about communities that suffer when a defense industry goes under? Or is he talking about defense workers who work for Lockheed or some other defense company who are laid off because of reduced contracts?

MR. STEPHANOPOULOS: All of the above. I mean, I think the President wants to have a comprehensive defense conversion program that works both for workers and the communities that are served by military facilities and defense contractors.

Q So are you saying that if you work for General Dynamics or Lockheed, and you're laid off, he wants money available to help those workers?

MR. STEPHANOPOULOS: I can't get into the specifics now of every specific case, but he wants to make sure that the program does address all three of those instances. I can't get into the specifics beyond that.

Q Would that be Pentagon money or would that be money coming from other --

MR. STEPHANOPOULOS: You could have money from the Pentagon, but also there have been other economic development funds in the past that have been used for this purpose.

Q Pentagon money has never been used to help defense workers who have been laid off.

MR. STEPHANOPOULOS: Right, but there have been other -- the President has proposed many training programs, as you know, which could be used for the retraining of workers who worked in the defense industry or on military bases.

Q So that wouldn't be Pentagon money then?

MR. STEPHANOPOULOS: Not necessarily.

Q Is there any legislation? Is there any proposal?
I mean, where do we find --

MR. STEPHANOPOULOS: No, the President will have a proposal at the end of the week. And there is money that has been appropriated in the past through the Pentagon but has never been spent. And we're also going to be looking at ways to free that up.

Q Do you know how much?

MR. STEPHANOPOULOS: I don't have that. We'll have that later in the week.

Q But that's not been for defense workers. There's never been any money --

MR. STEPHANOPOULOS: Right, that is exactly right. That's for the communities. But there has been money for defense workers, either through the Department of Labor and other economic development funds.

Q On Friday, will he make a foreign policy speech?

Q On the upcoming Reno hearings, has Reno been briefed on the Harold Ford situation? Do you expect it to come up in the hearings? And what's she going to say?

MR. STEPHANOPOULOS: Well, I don't know. I can't speak for either the senators or the attorney general-designee, so I think we'll have to wait for the hearings.

Q Well, that's a safe assumption that's going to come up, though, isn't it? And it's also a safe assumption, is it not, that you've talked to her about this?

MR. STEPHANOPOULOS: The only question I would say is, if the question comes up, as you know, the President's position on this is clear. He has put -- sent out a letter to the House Republicans who questioned him on this. And also the Acting Attorney General, Stu Gerson, has said quite clearly, he made this decision on his own; no political considerations whatsoever.

Q On base closings given the current number of proposals for closings, aren't they very heavily tilted toward California? And doesn't that give the White House some concern?

MR. STEPHANOPOULOS: We have not seen any -- the Defense Secretary has not yet completed the list that he is sending to the base closing commission. And the President won't receive that until July 1st, so I don't know that I can comment on any of the specifics that may or may not have been reported in the newspaper. But the President is, as he said last week, concerned about the California economy. He's going to be doing what he can to make sure we have the appropriate investments in California.

Q On that subject, George, is the money you're talking about in the defense conversion, is that the \$1.7 billion from which Clinton ordered \$550 million released now?

MR. STEPHANOPOULOS: That's part of the proposal.

Q Is there more than the \$1.7 billion?

MR. STEPHANOPOULOS: I don't know, in this fiscal year, necessarily, but the President wants to have a comprehensive program over many years.

Q Can we see a list of what that \$550 million will be used for? We haven't heard anything more about it since he spoke about it in Santa Monica.

MR. STEPHANOPOULOS: Again, I hope we'll have an announcement by the end of the week.

Q That will be part of the substance of that amount?

MR. STEPHANOPOULOS: I believe so, yes.

Q -- the pot of money we're talking about, though?

MR. STEPHANOPOULOS: That is part of it.

Q But that's money that's been designated to be used in communities that have been adversely affected by base closings, not by defense industry shutdowns.

MR. STEPHANOPOULOS: Yes, but there are other ways you can also look at proposals that would help the defense industry in different ways that we can invest in those communities as well.

Q That's not part of that \$1.7 billion?

MR. STEPHANOPOULOS: Not necessarily, no.

Q That's going to be discussed on Friday?

MR. STEPHANOPOULOS: I would imagine so -- it would be discussed by Friday.

Q Will defense policy and foreign policy also be --

MR. STEPHANOPOULOS: Again, I don't know if there's any formal remarks planned by the President.

Q What is his reason for wanting to visit the carrier?

MR. STEPHANOPOULOS: I think he wants to see the troops off, and also just get a good sense of the work on the ship.

Q Has he ever been on an aircraft carrier before in his life?

MR. STEPHANOPOULOS: I don't know.

Q Where is this carrier going?

MR. STEPHANOPOULOS: The Mediterranean.

Q Does the President get seasick?

MR. STEPHANOPOULOS: Not that I know of.

Q We'll find out. (Laughter.)

MR. STEPHANOPOULOS: Yes, we'll find out.

Q Has he ever been aboard a naval vessel before?

MR. STEPHANOPOULOS: Again, I'm not certain. I'll have to get back to you.

Q On health care -- what are the outlines of what is expected? Are they expected to propose legislation by the end of the 100 days or are they expected to propose ways to pay for whatever program she's talking about? What is supposed to --

MR. STEPHANOPOULOS: Well, the President said that we expect her to have a legislative proposal.

Q -- ways to pay for whatever programs she's talking about?

MR. STEPHANOPOULOS: Obviously that would have to be part of the legislative proposal.

Q On the Nixon meeting, with the President be alone with Mr. Nixon --

MR. STEPHANOPOULOS: I believe so.

Q I wanted to ask you something about the airdrops. Has the White House been able to gauge how effective they've been, how much is getting to the --

MR. STEPHANOPOULOS: We believe we have had some success, and I think General Morillon report also indicates that a lot of the food now is getting through to the Bosnians. At the same time, we think that we've now dropped over 200 tons of food in the drop zones and we believe it's getting through, yes.

Q Just another question about the money for defense conversion. During the campaign he said that every dollar that we reduce the defense budget by should go to help displaced workers. Is that what you're still planning on, or are you talking about all sorts of programs that might end up --

MR. STEPHANOPOULOS: I think that was research.

Q Oh, I thought he had said every dollar by which we reduce the defense budget should go to help --

Q He did say that.

Q -- people who are displaced.

MR. STEPHANOPOULOS: Well, I could go back to the exact words, but we are going to have significant funds dedicated towards defense conversion and for helping and retraining the workers.

Q In terms of the total amount, you're talking about a specific pot of money for defense conversion, not just money that is in other programs like retraining and --

MR. STEPHANOPOULOS: Right, that would also help reinvigorate the economy and help all the workers who are displaced, yes.

Q A while back you said that there would be something on bank -- maybe an initiative or --

MR. STEPHANOPOULOS: Credit crunch. That's Wednesday.

Q Bank lending reform?

MR. STEPHANOPOULOS: Wednesday.

Q I apologize if you've already answered this question, but the Wall Street Journal had an item Friday about a

private fundraising -- effort to raise private funds to help sell the health care package. They suggested that Robert Rubin and others at the White House were involved in soliciting funds. Do you know anything about this?

MR. STEPHANOPOULOS: Not a thing about it. I'll check into it. No.

Q In reference to deeper cuts -- the possibility of deeper cuts in the economic package. Are you saying that the President -- if Sabo is likely and able to get enough votes to support that, deeper cuts from the Democrats, will the President support that before they vote on his stimulus package and his economic package, or will he have to --

MR. STEPHANOPOULOS: Well, I think that will be part of the budget resolution as passed by the House. One of the things that we're encouraged by from what we're hearing from the Congress right now is that the President's package has remained largely intact. And you hear that from members from across the political spectrum. And we feel very optimistic --

Q -- get enough support for deeper cuts right now.

MR. STEPHANOPOULOS: We'll certainly consider that, again, as long as the basic integrity of the President's package is maintained, and we believe that it will be.

Q Bosnia again. You said that you had gotten more cooperation on financial sanctions. Does that in any way involve freezing Serbian assets?

MR. STEPHANOPOULOS: Again, I can't get into any of the specifics.

Q Do you know if Serbian assets have been -- they have not been frozen, right?

MR. STEPHANOPOULOS: I don't believe they have been.

Q Do you know why not?

MR. STEPHANOPOULOS: I don't. I would have to get back to you.

Q Is that under consideration?

MR. STEPHANOPOULOS: I don't know if there have been any specific discussions on that.

Q How could that not -- that couldn't have possibly been overlooked --

MR. STEPHANOPOULOS: Again, I don't know that it's been overlooked, but I have not had any reports on discussions about freezing Serbian sanctions.

Q George, one other question on base closings. When the President in July sits down and looks at this, should a state's economic situation be factored in at all when he's deciding whether a base should be closed? Does it matter whether California --

MR. STEPHANOPOULOS: I don't think I should get into the President's decision-making process until the recommendations are presented to the President which won't be until July 1st.

Q I'm just talking about the criterion. Would it be simply whether the base has outlived its usefulness or should a state's economy be --

MR. STEPHANOPOULOS: Obviously, that's the first criterion and that's what the base closing commission is designed to do and it will follow the guidelines as set forth. The President is concerned about the whole state of the economy; when he looks at any decision he's going to take the economic impact into consideration. But he will not be facing that decision until July.

Q But will he be taking that --

MR. STEPHANOPOULOS: Every decision the President makes takes economic conditions into consideration.

THE PRESS: Thank you.

END

12:04 P.M. EST

#32-03/08

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

March 8, 1993

PRESS BRIEFING
BY DEE DEE MYERS

The Briefing Room

9:21 A.M. EST

MS. MYERS: Good morning. Okay, today's schedule. At 1:00 p.m. the President speaks to the National League of Cities Legislative Conference. At 3:00 p.m., he'll meet with the House Budget Committee here at the White House in the Cabinet Room. At 5:00 p.m. he'll meet with the Congressional Black Caucus.

Also on the agenda today at 3:00 p.m., Thomas Niles, who is the Assistant Secretary of State for European and Canadian Affairs will give a background briefing on the upcoming visit with President Mitterrand tomorrow.

Q Where --

MS. MYERS: That will be here.

Q When will Nixon be here?

MS. MYERS: Don't have any final details.

Q Is he coming in today?

MS. MYERS: No, it's not on the schedule today.

Q As long as we have it in advance here, and we can maybe do this peacefully, may I ask why Mr. Niles has to be on background?

MS. MYERS: It is our policy that most of these briefings are background.

Q You've never had one before, have you?

MS. MYERS: We've had a number of background briefings on a variety of issues.

Q Why are they background?

MS. MYERS: Because we believe that's the most effective way to do it, sometimes preferable for the members, the people who are doing them.

Q Have they told you that?

MS. MYERS: Often they have told us that. Yes, that's correct.

Q They prefer -- reporters in this room have told you they want --

MORE

MS. MYERS: No, the people who are giving the briefings.

Q They are public officials, are they not?

MS. MYERS: They are. It's a longstanding tradition, one that I believe has been used by administrations going back for years and years.

Q -- loves challenge longstanding traditions.

MS. MYERS: We've challenged many, and we will continue to do that.

Q I'm just wondering what the rationale for it is. Is there something you're afraid that they will say that --

MS. MYERS: Absolutely not. It's on the record; they're just on background. We've found, and other administrations have found, that's an effective way to communicate background information about things like upcoming visits with heads of states, developing policy on a number of issues, ranging from health care to campaign finance reform; and we will continue to use both background and on the record briefings as a matter of policy.

Q Do you expect Nixon to be here this week?

MS. MYERS: It's possible.

Q What's the House budget meeting for?

MS. MYERS: To continue to talk about the economic plan and the legislative strategy to get it passed.

Q Are things moving faster than they were before, or slower?

MS. MYERS: Well, things are moving along very quickly, and we're pleased by that. As you know, it is our goal to get the budget resolution passed before the Easter recess, and we're moving toward that goal.

Q Did they request this meeting, or --

MS. MYERS: We're hopeful. They did request this meeting as part of an ongoing consultation process.

Q Are they bringing anything along, anymore proposals for cuts or anything like that?

MS. MYERS: That, we'll have to wait and see what comes out of the meeting. But it is part of an ongoing consultation process with members of Congress about the economic plan.

Q Do you want and expect a decision by tonight, as The Post suggests, on the spending levels and to have a package ready to go this evening?

MS. MYERS: I don't know that there will be any final decisions today.

Q Is that what the administration wanted?

MS. MYERS: We're moving toward that, but I don't think we have a hard timetable in terms of when the actual numbers will get locked in. I mean, we're continuing to consult with Congress. The President has additional meetings with both House and Senate members this week, and we'll continue to discuss it.

Q That story indicates that members on the Hill are moving towards using the stimulus package as an area to achieve more spending cuts. Is the President willing to compromise on that? Is he willing to start looking at that?

MS. MYERS: As you know, he believes that the stimulus package is still necessary, that we haven't had the kind of job growth that normally accompanies a recovery, and he'll continue to push for the stimulus package.

At the same time, we'll continue to work with Congress to reach some kind of a budget resolution that can be passed hopefully by the Easter recess.

Q What is the Black Caucus meeting about?

MS. MYERS: The same thing. It's about the economic plan, as well as other issues. But primarily the economic plan.

Q What's the League of Cities speech going to be about?

MS. MYERS: It's going to be about the need for further investment, continuing on that theme that we need to change our spending and investment priorities, that we've been spending on the wrong things for the last 12 years. We need more investments in things like education and training.

Q Senator Lott says he's given the President his list of 231 cuts. May we have a copy, please?

MS. MYERS: I'll have to check and see where that is.

Q It's supposedly only one page.

MS. MYERS: Two hundred and thirty-one cuts on one page? Does that sound credible?

Q He writes small. (Laughter.)

MS. MYERS: Very small.

Q When you talk about the need for investment in the League of Cities, is that intended to counter the arguments of Republicans and some others that all you really need to do is your deficit reduction and not your increased spending in some areas?

MS. MYERS: Certainly there are people who would argue that. The President believes that in order to have long-term economic growth, we need to invest in the things that will make us richer in the long-term -- things like education and job training, infrastructure, other things that have been neglected over the past 10 or 12 years. That's certainly part of his objective.

Q Dee Dee, Diane Feinstein has said she's approached the President personally on the inordinate number of closings of California defense institutions. Has that happened? And what's his reaction?

MS. MYERS: Well, she did speak to the President once about a number of issues dealing with the California economy. I don't believe she's spoken with him specifically in the last several days. But as you know, Secretary Aspin will make a recommendation on base closings by March 15th. And the President won't see that final list of recommendations until July 1st.

Q But the Senator has not contacted the President personally on --

MS. MYERS: Not that I know of. I'll double-check, but I don't believe that she's spoken to him.

Q Why won't he see it until July 1st?

MS. MYERS: That's just the way the process is structured. The commission will travel around the country and take -- hold a number of hearings, I believe, in local communities to discuss it and submit a final list of recommendations July 1st.

Q What's the travel outlook for this week?

MS. MYERS: Travel on Friday. It'll be a one-day trip. We're still working out the final details. We should have some announcement on that by tomorrow or perhaps Wednesday.

Q It's now a one-day trip.

MS. MYERS: It's now a one-day trip.

Q No Saturday travel?

MS. MYERS: No Saturday travel. We'll have details on the trip probably tomorrow.

Q In general, where's it going to be, the south?

MS. MYERS: Yes. We'll also have an announcement -- some kind of an announcement on the credit crunch issue on Wednesday.

Q Is the President coming up with any more spending cuts in particular to close the gap the CBO estimated between what Mr. Clinton says deficit reduction will be and what the CBO -- deficit reduction will be, or does he -- obligated to do that?

MS. MYERS: The CBO estimate was one of a number of reestimates that will occur. It uses several different assumptions than our budget, including a different baseline. The bottom line with that was that the overall deficit number in the outyear, 1997, is only about a billion dollars different than our projection. We expect a number of reestimates throughout this process. It's just something that happens. But we're not going to make any shifts based on that. However, as you know, the President's continuing to consider spending cuts if people are specific and put forward specific new cuts.

Q In advance of the Reno hearings tomorrow, has President Clinton spoken with her or met with her in recent weeks, and will he be before the hearings tomorrow?

MS. MYERS: I don't know if he's met with her. Obviously there's an ongoing process with the administration working with --

Q Has he spoken to her or will he speak to her before the hearings?

MS. MYERS: I don't know when the last time he spoke to her was. So I don't know -- there's no specific plan to meet with her today.

Q Who is it that's been working with her?

MS. MYERS: It's a number of people, including Counsel's office and other people. As you know, we've had a team that's prepared all of the Cabinet designees for their congressional hearings.

Q Have there been any additional interviews seeking more information from her?

MS. MYERS: No.

Q Does this preparing -- does this include formal rehearsals in, say, OEOB or somewhere like that to get comfortable with the setting and that sort of thing?

MS. MYERS: I don't think there's been anything formal in terms of trying to create the setting, but they've certainly talked about the kinds of questions that she can expect to answer and tried to make sure she's prepared for the format.

Q Has the administration had any indication that Justice White is going to step down?

MS. MYERS: No. I don't believe Justice White has made his intentions clear.

Q Reaction, first of all, to Boutros-Ghali's suggestion that ground troops might be necessary in Yugoslavia and Bosnia? And also, is there any further update on the tightening or position of new sanctions that was talked about on Friday?

MS. MYERS: The answer to the second question is no. The answer to the first question is that our policy remains the same; that if all the parties agree to the third part of the Vance-Owen plan, that we would consider a number of measures to enforce that. But beyond that we haven't made any plans for any kind of troop involvement.

Q Let me ask you a semantical question. When you say enforce that, does that fall under the category of peacekeeping only or does peacemaking come into it? Boutros-Ghali was specifically talking about using force to move Serbs out of territory to comply with the map.

MS. MYERS: We just haven't made any final decisions about that. The sides, as you know, have not agreed to the Vance-Owen plan. We're moving closer to getting the Bosnian Muslims to agree to it and feel very good about the progress that was made last week at the U.N. However, no final agreement has been reached; and when it is, we'll work out the details of what needs to be done to enforce it. But until then, there's just no final decisions on it.

Q So you're not ruling anything out.

MS. MYERS: And I'm not ruling anything in.

Q Now, back to the sanctions. When you say no, that means nothing to announce or nothing's changed or -- what's the status --

MS. MYERS: Nothing's changed. Nothing to announce at this point. And I'll have to double-check to see what the status of that is today. I believe one of the groups came home this weekend, but I'm not sure which one.

Q On Janet Reno, have any issues come up since her nomination that you think -- problems -- unexpected problems at the hearings?

MS. MYERS: No.

Q Has Clinton ever met Nixon before personally? Is he seeking his advice?

MS. MYERS: They have spoken, as you know, on the phone. He believes that former President Nixon has insight into, particularly issues dealing with the former Soviet Union and Russia. He has certainly sought his advice on that issue and will probably continue to seek his advice or his input on that issue and perhaps others.

Q He's invited him to come to the White House?

MS. MYERS: I don't know what the status of that is. I'll have to get back to you.

Q What makes you think that he may be coming this week?

MS. MYERS: There has been some discussion about it. I just don't know whether -- if the President invited him or when he might come.

Q -- saying that he's coming today.

MS. MYERS: It's not on the schedule for today. But I'll double-check and get back to you, yes. But, as you know, the President praised the column that former President Nixon wrote in the New York Times last week and believes he's got tremendous insight into those issues.

Q Dee Dee, he's talked to Nixon. Has he had any conversations with Bush at all on --

MS. MYERS: I don't believe so since the -- inaugural day.

Q How about Reagan? Has he talked to Reagan?

MS. MYERS: No.

Q Ford?

MS. MYERS: Not that I know of.

Q But you don't know if he's ever met Nixon before?

MS. MYERS: I don't know. I'll have to look into that -- if he's ever met him.

Q Lincoln's ghost --

MS. MYERS: Many times. (Laughter.)

Q How about the portraits? Has he talked to the portraits yet?

Q -- in the White House today working in some capacity with the Council of Economic Advisors. Is he, as the New York Times reported, on that panel now or been chosen to work on that panel?

MS. MYERS: I'll have to get back to you on that.

Q Dee Dee, will the President at some point give a speech or otherwise let the American people know why they should support Russia at this time of economic problems at home?

MS. MYERS: I think that he will certainly, as policy decisions are made in that area, communicate those to the American people and explain why he's made the decisions that he's made. As we walk up to the summit, I think we'll have more to say about it.

Q If additional aid is to be given to Russia, will he ask for a specific tax to pay for it or further spending cuts to pay for it, or is he just going to borrow the money?

MS. MYERS: I think we'll have to wait and see how that gets worked out. No final decisions have been made on anything like that.

Q Any plans for stops going to Vancouver or coming from Vancouver on that weekend trip?

MS. MYERS: As you know, coming from Vancouver we'll stop in Baltimore for the opening day festivities.

Q -- coming back here first, right, and then going to Baltimore, or are we going straight to Baltimore?

MS. MYERS: I guess since we're not coming from -- the details of these travel plans haven't been worked out. I wouldn't rule out a stop on the way to Vancouver. No final details on that yet.

Q And coming back, you don't know whether he's coming back here -- traveling on Monday?

MS. MYERS: Correct. It depends if we leave and fly overnight on Sunday or fly back Sunday afternoon and spend the night here.

Q Back on the budget consultations for a moment, how often -- do you have any tabulation of how many meetings the President has had with legislators. I mean we know there's -- on the Hill, but would it be fair to say he's met once or twice a day with members of Congress --

MS. MYERS: It's fair to say he meets with members of Congress almost every day or speaks to them. As you know, that's been going on; it went on throughout the process of developing the plan and it has gone on at a rapid clip since then. And I expect it will continue until that resolution is passed and beyond.

Q Are there a lot -- personal phone calls as well as meetings?

MS. MYERS: There's been some personal phone calls. As you know, there have been a number of meetings both on the Hill and here, and we expect that to continue. As I said, he's meeting with several groups of congressmen today and again tomorrow.

THE PRESS: Thank you.

END

9:35 A.M. EST

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

March 8, 1993

REMARKS BY THE PRESIDENT
WITH CONGRESSIONAL BLACK CAUCUS

The Roosevelt Room

5:11 P.M. EST

Q Mr. President, do you agree with the extra \$50 billion in cuts that the House and Senate leaders want?

THE PRESIDENT: We will have a -- I agree that we will have a budget resolution which will be roughly conforming to the reestimates of the CBO in general terms. And that will still contain the investment strategy that I wanted to do.

END

5:13 P.M. EST

file: 318

EB PRESS GUIDANCE**March 8, 1993**

Q: Can we have an update on Serblan sanctions? What steps are we taking?

A: OUR TWO TEAMS HAD PRODUCTIVE DISCUSSIONS WITH OTHER CSCE STATES ON HOW TO TIGHTEN THE GRIP OF EXISTING SANCTIONS ON SERBIA AND MONTENEGRO. MEMBERS OF THE SAMS LIAISON GROUP UNDER CSCE, COMPRISING THOSE STATES WITH MONITORS IN THE REGION AS WELL AS HUNGARY, ROMANIA, BULGARIA, UKRAINE, CROATIA, ALBANIA AND MACEDONIA, AGREED TO JOIN US IN PRESSING FOR BETTER CONTROLS OVER TRANSSHIPMENTS, INCREASED TECHNICAL SUPPORT FOR NEIGHBORING STATES, EXPANSION OF THE SANCTIONS ASSISTANCE MISSIONS, MORE STRINGENT IMPLEMENTATION OF FINANCIAL SANCTIONS, AND PUNISHMENT FOR TRANSGRESSORS.

SAMS
sanctions
Assessment
Mission

AMONG THE SUCCESS STORIES FROM THIS WEEKEND ARE THE SEIZURE OF THE MARIA BY THE SEYCHELLES AND THE DEFLAGGING OF THE DIMITRAKIS BY MALTA. MANY NATIONS ARE INDICATING THAT THEY SUPPORT

**MALTA'S ACTION AND WILL NOT ALLOW A SANCTIONS
VIOLATOR TO REFLAG IN THEIR REGISTRIES**

**AUTHORITIES IN THE SEYCHELLES ARE INVESTIGATING
THE CAPTAIN AND CREW OF THE MARIA (ALSO KNOW AS
THE MARLOW, MALO AND BANA I) FOR CONTRAVENTIONS
OF DOMESTIC LAW AND SANCTIONS VIOLATIONS.
SOLDIERS ARE UNLOADING THE SHIP'S CARGO OF ARMS
AND AMMUNITION. THE DIMITRAKIS IS PRESENTLY IN
CAIRO, WHERE EGYPTIAN AUTHORITIES ARE
CONDUCTING INVESTIGATIONS OF SANCTIONS
VIOLATIONS. BOTH THE MARIA AND DIMITRAKIS ARE
GREEK-OWNED. THE GOVERNMENT OF GREECE IS
ACTIVELY PURUSING INVESTIGATIONS AS WELL.**

Q: What is the status of the teams?

A: THE TEAM THAT PRESSED FOR CLOSER COOPERATION WITH ALLIES AND FRONT-LINE STATES ON TRADE SANCTIONS AND THE TEAM THAT INVESTIGATED HOW TO TIGHTEN FINANCIAL SANCTIONS HAVE RETURNED FROM THEIR MEETINGS IN EUROPE. THEY OBTAINED AGREEMENT FROM THE SAM LIAISON GROUP UNDER CSCE TO SUPPORT OUR PROPOSALS ON IMPROVING ENFORCEMENT OF EXISTING TRADE SANCTIONS, TO INCLUDE INCREASED SCRUTINY OF TRANSSHIPMENTS, EXPANDED SAMS, AND STRICTER FINANCIAL ENFORCEMENT.

FOREIGN POLICY Os and As

Prepared: March 8, 1993

1. Angola
2. Base Closure
3. Bosnia: Boutros-Ghali/Talks/Sanctions/Air Drops
4. Haiti: Aristide
5. Challenge on Gay Ruling
6. Middle East
7. Aid to Russia
8. Somalia
9. World Trade Center Bombing

Angola

Q: UNITA claims to have captured the city of Huambo. What does this victory mean for them?

A: -- If that report is accurate, it would be a psychological blow to the Luanda government.
-- The fact remains that, regardless of who won this particular battle, neither side can dominate the other through the force of arms. Years of fighting and bloodshed have proven that.
-- The only way to settle this is for both sides to negotiate a political solution.
-- We continue to work to bring that about.

Q: What about diplomatic recognition for the Luanda government?

A: -- That issue remains under active consideration. Whatever steps we take will be designed to help the chances for peace.

Base Closure

Q: The New York Times released the names of the military bases they say Secretary Aspin will recommend for closure on March 15th. Is this list accurate?

A: -- Secretary Aspin has not made his final decisions, nor has he shared with me any lists.
-- Secretary Aspin will be submitting his recommendations to the Defense Base Closure and Realignment Commission no later than March 15th.
-- The point at which I will come into the base closure process is when the Commission submits its list to him on July 1st.

Bosnia

Q: Boutros-Ghali has called for the forcible ejection of Serb troops from some territory in Bosnia if they fail to withdraw under a peace agreement. Are you prepared to support such action?

A: -- We are committed to pressing all parties to negotiate seriously and come to an agreement.
-- We understand that President Izetbegovic hopes to be able to reach agreement soon. We urge the Serbs to show equal flexibility and to participate in reducing the fighting.
-- We are working to tighten the sanctions on Serbia to help bring about a settlement.
-- Our policy is that we are prepared to help enforce a settlement once one is reached.

Q: Boutros-Ghali apparently also stated that he would consider the use of force if the Serbs refused to agree to a settlement. Does the U.S. support such use of force?

A: -- We are willing to support a multilateral force in the event of a settlement.
-- [IF PRESSED]: We are hopeful that the parties will reach an agreement soon. At that point, we would support a multilateral force to implement the agreement.

[Background: State released the following statement on March 6: "The U.S. welcomes the statement made today by President Izetbegovic that progress has been made in the talks conducted in New York under the auspices of co-chairmen Vance and Owen. We also regard positively President Izetbegovic's statement that he intends to return to New York toward the end of next week with the aim of moving the talks to a successful conclusion. It is in everyone's interest to reach a fair and workable settlement at the earliest possible moment. We continue to urge all parties to make a maximum effort to that end." Lord Owen has described the talks as being "tantalizingly close."]

Q: What is happening at the peace talks?

A: -- The talks are in recess and are expected to resume in a few days.

Q: Can we have an update on Serbian sanctions? What steps are we taking?

A: -- The team that pressed for closer cooperation with allies and front-line states on trade sanctions and the team that investigated how to tighten financial sanctions have returned from their meetings in Europe.
-- They obtained agreement from our allies to support our proposals on improving enforcement of existing trade sanctions, to include increased scrutiny of transshipments, expanded inspection teams, and stricter enforcement of financial sanctions.
-- Among the steps taken to give teeth to the sanctions are the seizure this weekend of the Maria by the Seychelles and the deflagging of the Dimitrakis by Malta.
-- Authorities in the Seychelles are investigating the captain and crew of the Maria for contraventions of domestic law and sanctions violations.
-- The Dimitrakis is presently in Alexandria, where Egyptian authorities are conducting investigations of sanctions violations.

Q: Why are you continuing the air drops if the supplies are not reaching those in need?

A: -- The current phase of the air drops continues because we believe there still are areas that ground convoys have not sufficiently reached and people are still in great need. They remain a useful supplement to, and stimulus for, the relief efforts on the ground.

-- We have conducted ~~eight~~ air drops without incident; the supplies are by and large reaching the targeted areas. The fluid and violent nature of the situation on the ground means that we can't guarantee who receives all the supplies.

-- We do know that Muslim populations have received substantial supplies. The alternative is to do nothing which would mean that in some areas those in need would get nothing.

nine

Haiti: Aristide

Q: In a The New York Times article Friday, Aristide called on you to set a date for his return to Haiti. What is your reaction?

A: -- The United States is strongly backing the effort of the Organization of American States and the United Nations to restore democracy and President Aristide to power in Haiti.

-- We are fully supportive of that international effort. My meeting with President Aristide on March 16 will underscore that support.

-- Establishing at this time a date for the return of President Aristide would be artificial. Rather, the timing of his return must be a function of the pace of the negotiations.

Challenge on Gay Ruling

Q: Why has the government decided to appeal a lower court ruling that ordered the Navy to reinstate a homosexual sailor, Petty Officer Keith Meinhold?

A: -- The Department of Defense is appealing the lower court ruling because of the broader issue of civil court jurisdiction over military affairs -- not because Petty Officer Meinhold is a homosexual.

Q: When did the Navy decide to make this appeal?

A: -- Last week [FYI: March 2, 1993].
-- I can say that the DoD leadership agreed with the Navy recommendation that this decision be appealed. DoD filed the appeal last week.

Q: Petty Officer Meinhold's reinstatement was made before your January 29 announcement directing the Secretary of Defense to study the issue of homosexuals in the military. Why is the Navy trying to kick him out now?

A: -- The issue being appealed in the Meinhold case is the jurisdiction of the 9th U.S. Circuit Court of Appeals in San Francisco over a violation of the Military Uniform Code of Military Justice.

Q: What will happen to Petty Officer Meinhold if the lower court ruling is overturned?

A: -- In my January 29 statement, I directed that Commanding Officers continue to process cases under current regulations related to homosexuality.
-- Final discharge for individuals who want to stay in the military will be suspended until I act on the recommendations of the Secretary of Defense which is due out in July.

Middle East

Q: Do you intend to meet President Assad in Europe this Spring [as suggested by Evans and Novak Monday]?

A: -- No.

Q: Can you comment on reports of Syria shifting its position in the Middle East peace negotiations or about the possibility of President Assad's departure?

A: -- As a rule, I won't comment on the positions of the parties to the negotiations.
-- Secretary Christopher has visited the region, and we hope to reconvene the talks in April. Progress toward peace in the region is a high priority.

Aid to Russia

- Q: How do you respond to Oberdorfer's piece in the March 5 Washington Post which states that the Administration is considering creation of a multi-billion dollar social safety net fund for Russia?
- A: -- The Administration is currently reviewing a range of economic assistance initiatives for Russia given the importance we attach to the continuation of democratic political and market economic reform.
-- We have made no decisions on a U.S. role in the formation of such a social safety net fund.
- Q: What did former President Nixon say to you about his views on Russia?
- A: -- I met yesterday with former President Nixon to discuss his recent trip to Russia. President Nixon reiterated his strong support for additional Western assistance for Russia, a view which I share.
-- I expressed to President Nixon my strong support for President Yeltsin and Russia's political and economic reform program. I will be discussing new efforts to assist Russia in the coming months with our G-7 partners.

Somalia

Q: What about the two Marines being tried for shooting Somalis? Aren't these young soldiers in an impossible position trying to determine friend from foe?

A: -- Our forces are doing a superb job under very difficult circumstances. Their efforts have made humanitarian relief possible and are saving thousands of lives that would have otherwise been lost to starvation and disease.

-- I can't comment on the particular cases since that would be inappropriate while they are still underway. Soldiers will always face difficult choices when making a decision on how to defend themselves. U.S. troops operate under U.S. military law wherever they are. It's up to the court to decide whether excessive force was used in these cases.

Q: Will all our troops be home by May 1?

A: -- May 1 refers to the date set by the Secretary General for the administrative transfer from the U.S.-led UNITAF to the U.N.-led UNOSOM.

-- We have already reduced the number of troops we have. This process will continue.

-- We will have several thousand logistics and engineering troops that will remain as part of UNOSOM and stay on for some time. A quick reaction force of about a thousand under U.S. command will also be available to support UNOSOM if necessary.

-- I cannot give you a date when the last U.S. soldier will leave Somalia. It will depend in part on how things evolve and the process of reconstruction and reconciliation has just begun.

Q: Aren't there reports that 8,000 American troops will remain?

A: -- The specifics are still being worked out and depend in part on how many other nations contribute.

Q: Is it true that you have serious disagreements with the UN about Somalia?

A: -- We are working very closely with the UN on a smooth transition from the U.S.-led coalition force to a UN force that will have the capability and authority to maintain a secure environment for the delivery of humanitarian relief.

- Indeed, an American, retired Admiral Jonathan Howe, will head the UNOSOM II effort in Somalia after May 1st.
- We anticipate that the Security Council will authorize the new UN force in the next few days, and we can then begin a phased transition on the ground in Somalia.

Q: When will all the U.S. troops be out?

- A: -- The transition will be phased over time, and we really can't say specifically when it will be completed and all U.S. combat troops will have left Somalia.
- The U.S. has agreed, in principle, to participate in the UN force in a non-combat role. We are still working with the UN to determine the nature and size of any U.S. components.

World Trade Center Bombing

Q: In light of the arrests in the Twin Towers bombing, is the U.S. the target of a terrorism campaign by Islamic fundamentalists?

A: -- The U.S. Government has in the past two decades devoted considerable resources to combatting the threat of terrorism.
-- These arrests indicate how proficient our law enforcement and investigative agencies have become at this task.
-- At the present, it is too early to discern the implications of this incident.

→ Senate

\$92

→ specific list — 8-9 cuts

\$90 b

→ If you signal acceptance

capping, freezing

Joe Snyder

Christopher to
announce it
tomorrow on
bill;

invitations have
not gone out;
expect an
invitation

Syr

Isr

Leb

Jordan/Palest

6/6/88

* 9th round
bilateral

* set dates
w/ Russi

2 pm.