

## UNITED STATES

|                              |  |
|------------------------------|--|
| <b>Official Name:</b>        | United States of America   |
| <b>Capital:</b>              | Washington D.C.  |
| <b>Government:</b>           | Federal republic   |
| <b>Division of Power:</b>    | Executive Branch (President, Vice-President and Cabinet), Legislative Branch (Congress including House of Representatives and the Senate), and the Judicial Branch |
| <b>President:</b>            | Bill Clinton   |
| <b>Secretary of State:</b>   | Warren Christopher   |
| <b>Trade Representative:</b> | Mickey Kantor  |

---

## DOMESTIC SITUATION

After a rocky start, President Clinton recovered significant political ground with the narrow passage in September of his economic package, which aims to reduce the United States (U.S.) budget deficit by US\$496 billion over the next five years while providing modest economic stimulus. It is expected to act as a drag on the economy over the short term, but lead to lower long-term interest rates and improved economic performance.

The focus of his presidency is on domestic economic renewal, with a strong demand to improve the U.S.'s international trade balance. Passage of the North American Free Trade Agreement (NAFTA) and a new system of health care are high priorities with strong economic implications.

In foreign policy, President Clinton is not isolationist, but is expected to exercise caution when considering international involvement. On environmental, political and security issues, he is more inclined to multilateral approaches than his predecessors, but by the standards of other countries it is a modest and cautious shift. On trade matters, the U.S. approach appears to give somewhat greater weight, on balance, to bilateral arrangements that may foreshadow more "management" trade that could entail special "fixes" favouring U.S. interests. Nonetheless, the Administration has made the successful conclusion of the Multilateral Trade Negotiations a high priority.