

THE WHITE HOUSE

Office of the Press Secretary

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REMARKS BY THE PRESIDENT
AT SIGNING CEREMONY FOR EXECUTIVE ORDER
ON CIVIL JUSTICE REFORM

The Roosevelt Room

11:43 A.M. EDT

THE PRESIDENT: Welcome, everyone. I'm, of course, very grateful to Dan Quayle, our Vice President, for his hard work on the issue that I want to discuss today; and to many of you here who have been very helpful in all of this. I want to single out our nominee for Attorney General, Bill Barr, the Acting Attorney General; and Ken Starr, the Solicitor General who headed the working group that produced what I think is a very fine report.

A little more than two months ago, the Vice President outlined our agenda for civil justice reform before the American Bar Association. That speech unleashed a national debate -- a flurry of mail here at the White House, I might add -- and some of the best lawyer jokes that I've heard in years. (Laughter.)

But we're not here today to make an easy hit on lawyers. Frankly, I don't think that the problem rests with lawyers -- the problem stems from a legal system that just spun out of control. Sadly, we've become the most litigious society in the world.

In order to restore sanity to our civil justice system, the Competitiveness Council that the Vice President chairs has recommended extensive and concrete steps that we can take -- starting today -- to get our legal system back on track. There's 50 recommendations, and these 50 recommendations include changes in the rules of discovery; adoption in certain areas of the "loser pays" rule; encouragement of alternative dispute resolution; caps on punitive damages; and changes in the rules of expert evidence to end the use of "junk science" on the witness stand.

I've named only a few of our many recommendations. Some of these proposals require federal legislation, and we're going to be transmitting that up to the Congress very, very soon. Other proposals require action by the Supreme Court. Today's Executive Order will apply most of these recommendations, where possible, to the federal government. And I'm asking every agency head, many here today, to do everything possible to fully and effectively implement the Executive Order.

With all that said, let me get to the heart of the matter. Civil justice reform is absolutely essential to our country's well-being. I'm talking about access to health care and quality of life -- parents are having a tough time finding an obstetrician just out there in some of the states because many obstetricians found it wasn't worth it to practice anymore. I'm

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talking about beneficial new products that never reach the marketplace at all because of liability concerns.

I'm talking about jobs. We got a letter the other day from an architect in California named Charles Yaeger. Here's what he wrote: "I have many friends who are going out of business because of fear of lawsuits."

And I'm talking about inflation and consumer prices. The owner of Zaun's Trustworthy Hardware in Iowa, Brad Zaun, wrote to us: "As a business owner myself, the liability insurance is getting out of hand. The manufacturers could significantly lower their prices both wholesale and retail, which would stimulate our economy."

Maybe other countries don't have this problem because every other Western democracy has the "loser pays" rule in order to discourage senseless lawsuits. Maybe it's because we have most of the world's lawyers here in America. Maybe it's because the pop culture in this country encourages lawsuits.

I don't know how many of you watch Hulk Hogan in the movie, but he's got a brand new movie out there, and at one point he asks the bad guys if they're going to beat him up. You know what they bad guys replied? "Hey, this is the '90s -- we're going to sue you." (Laughter.)

People around the country understand that, and they have understood it for some time. And we've got to get something done about it. You see the problem everywhere. From the hinderance of new medicines to local bans of firework displays on the Fourth of July, the fear of outlandish litigation has begun to strangle the American Dream.

Americans understand that civil justice reform means growth, competitiveness, and jobs. That's why I feel so strongly about these recommendations by Dan Quayle's Competitiveness Council. This is not a partisan issue -- we keep making that point -- it's a matter of overcoming the vested interests and changing the status quo to ensure a better and more prosperous life for all Americans.

The federal government is the largest single consumer of legal resources. As the client, I'm asking you, the government's top lawyers, to help us change the status quo. The Executive Order will hold you to higher standards than private practitioners. But it will also give us the opportunity to lead the country by example toward civil justice reform.

Today we're taking the first step. And now I want to invite Bill Barr and Ken Starr to join Dan Quayle and me up here as I sign this Executive Order. And again, thank you all very much for coming.

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11:49 A.M. EDT