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GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY CAPITOL HILL
TUESDAY, MARCH 24, 1992
11:00 A.M.

8070 straw poll


THANK YOU, BOYD. \ I WANT TO SALUTE YOUR LEADERS:
BILL EACHO, RICH NIEMANN, AND T.C. GOODWIN. I ALSO PAY
MY RESPECTS TO A LONG-TIME FRIEND, FORMER AGRICULTURE
SECRETARY JACK BLOCK.

((WHEN I WAS AT A GROCERS' CONVENTION IN FLORIDA
RECENTLY, THE PRESS WONDERED WHY I WAS SO IMPRESSED
WITH A NEW CHECK-OUT SCANNER I WAS SHOWN. I'LL TELL
YOU WHY. IT WAS SO SOPHISTICATED, WHEN I RAN MY HAND
ACROSS IT, IT ACCURATELY PREDICTED THE FLORIDA RESULTS
FOR SUPER TUESDAY.))

very slow &
measured

I'M HERE TODAY TO ASK YOU TO HELP ME CHANGE THIS COUNTRY -- TO MAKE IT STRONGER AND BETTER. WE'VE CHANGED THE WORLD -- WE'VE WON A GREAT VICTORY FOR WORLD PEACE AND FREEDOM. AND AS PRESIDENT I WILL STAY FULLY ENGAGED WITH THE WORLD. WE'VE WON THE COLD WAR AND NOW WE MUST NOT PULL BACK. NOW LET'S PUT TO WORK THE LEADERSHIP WE USED TO CHANGE THE WORLD TO CHANGE AMERICA. LET ME TELL YOU WHAT THAT MEANS: WE'LL LEAVE A LEGACY OF PRODUCTIVE JOBS FOR OUR CITIZENS, WITH STRONG FAMILIES -- SECURE IN A MORE PEACEFUL WORLD.

I HAVE A STRATEGY TO RENEW AMERICA AND KEEP OUR COUNTRY STRONG IN THE NEXT CENTURY. I PROPOSED A PLAN TO STIMULATE THE ECONOMY WITHOUT RAISING TAXES -- AND WITHOUT INCREASING THE FEDERAL DEFICIT. ACTION TO STRENGTHEN REAL ESTATE. ACTION TO HELP YOUNG FAMILIES BUY THAT FIRST HOME -- NOW. \ \ I ASKED FOR ACTION TO CREATE GOOD JOBS. ONE OF THOSE ACTION ITEMS WAS TO CUT THE TAX ON CAPITAL GAINS. \ \



BUT THE MAJORITY IN CONGRESS COULD NOT BREAK THEIR TAX-AND-SPEND HABITS. \ I ASKED FOR ACTION TO STIMULATE THIS ECONOMY -- NOT STIFLE IT. \ I ASKED FOR A JOBS BILL -- AND THEY PASSED A BILL TO INCREASE INCOME TAXES BY 90 BILLION DOLLARS. \

THEY TURNED THEIR BACKS ON FIRST-TIME HOMEBUYERS BY FAILING TO ENACT A \$5,000 TAX CREDIT. THEY WATERED DOWN MY INVESTMENT TAX ALLOWANCE AND OTHER REFORMS TO HELP BUSINESSES MODERNIZE AND COMPETE. THEY TINKERED WITH THE CAPITAL GAINS TAX, BUT IF THEIR PLAN WERE ADOPTED THAT TAX WOULD STILL BE AMONG THE HIGHEST IN THE DEVELOPED WORLD. *170 070 Jap Ger.*

YES, I WAS DISAPPOINTED IN THE CONGRESS, BUT FRANKLY NOT SURPRISED. SO LAST FRIDAY, I VETOED THEIR TAX INCREASE. ~~AT~~ THEN, I ANNOUNCED ACTIONS I WOULD TAKE ON MY OWN TO CUT THE FAT OUT OF GOVERNMENT, TO CUT THE RED TAPE THAT CHOKES OUR COMPETITIVE SPIRIT, AND TO GET THIS COUNTRY UP TO SPEED FOR THE LONG HAUL. \

YOU AND I HAVE BUSINESS EXPERIENCE: WE KNOW WHAT THE TAX INCREASE WOULD REALLY DO. ABOUT 80 PERCENT OF THE REVENUE INCREASE RESULTING FROM THE HIGHER RATES WOULD COME FROM SMALL BUSINESSES. MORE THAN A MILLION SMALL BUSINESSES WOULD BE AFFECTED -- MANY OF THEM CRIPPLED -- BY THE DEMOCRATS' TAX INCREASE. THOUSANDS OF FAMILY-RUN GROCERY AND CONVENIENCE STORES ARE IN THIS CATEGORY. SMALL FAMILY FARMS ALSO COULD FACE FINANCIAL RUIN FROM SUCH A TAX HIKE.

THE BILL I'VE JUST VETOED TRIED TO RAISE THE MARGINAL RATE FOR SMALL FAMILY BUSINESSES AND FARMS BY ABOUT 18 PERCENT.

JUST THINK ABOUT THE IMPACT OF THIS ON YOUR OWN BUSINESSES. THE GROCERY BUSINESS -- WHOLESALE AND RETAIL -- IS FIERCELY COMPETITIVE. YOU OPERATE ON THE THINNEST OF PROFIT MARGINS -- FOR WHOLESALERS IT'S OFTEN LESS THAN A PENNY ON THE DOLLAR.

*being nice
today*

LL

IF YOU HAD TO FACE A BIG INCREASE IN THE BRACKET WHERE YOU PAY MOST OF YOUR TAXES, HOW WOULD YOU COPE? YOU'D FEEL PRESSURE TO CUT BACK ON THE QUALITY OF YOUR SERVICE. COMPETITION WOULD PRESS YOU TO HOLD OUT AS LONG AS POSSIBLE BEFORE PASSING COSTS ALONG TO YOUR CUSTOMERS -- SO YOU MIGHT HAVE TO ELIMINATE JOBS. EVENTUALLY EVERYONE IN THE BUSINESS WOULD HAVE TO PASS THE COSTS ALONG -- AND THAT WOULD FUEL INFLATION.

THOSE ARE SIMPLE FACTS OF LIFE FOR PEOPLE TRYING TO MAKE A LIVING. EVEN AS MILLIONS OF AMERICAN FAMILIES WERE HUDDLING OVER THEIR KITCHEN TABLES TO WORK ON THEIR TAX RETURNS, THE LIBERAL CONGRESS TRIED TO RAISE THEIR TAXES BY \$100 BILLION.

LAST FRIDAY I VETOED THEIR MASSIVE TAX INCREASE.
AND I SENT CONGRESS MY FIRST LINE-ITEM RESCISSIONS --
CUTTING \$3.6 BILLION IN WASTEFUL SPENDING. ~~THESE~~ THESE WILL
SERVE NOTICE TO CONGRESS THAT THE DAYS OF WASTEFUL
SPENDING ARE OVER. AND IT IS A STEP SYMBOLIC OF THE
POWER THAT 43 GOVERNORS HAVE -- THE LINE-ITEM VETO.
INCIDENTALLY, AT THEIR RECENT NATIONAL MEETING, THE
NATION'S GOVERNORS WENT ON RECORD ~~UNANIMOUSLY~~ CALLING
FOR LINE-ITEM VETO AUTHORITY FOR THE PRESIDENT.



I'M ALSO FIGHTING FOR ECONOMIC GROWTH THROUGH ACTIONS THAT DON'T NEED TO BE PASSED BY THIS CONGRESS. TAKE A LOOK AT GOVERNMENT REGULATION. DAY BY DAY, RULE BY RULE, AND INDUSTRY BY INDUSTRY, WE'RE WINNING BATTLES AGAINST OVER-REGULATION. WE'RE WINNING VICTORIES FOR COMMON SENSE AND FREEDOM. JUST LAST THURSDAY, FOR EXAMPLE, MY ADMINISTRATION ANNOUNCED REFORMS ON NUTRITION LABELING FOR MEAT AND POULTRY. OUR REFORMS WILL KEEP OUR FOOD SUPPLY EVERY BIT AS SAFE, BUT WE WILL REDUCE THE BURDEN AND EXPENSE OF REGULATION ON AMERICAN CONSUMERS -- AND ON OUR HARD-WORKING FOOD PRODUCERS AND GROCERS. \\\ IF CONGRESS SENDS ME ANY NEW LEGISLATION THAT WOULD OVER-REGULATE OUR ECONOMY, I'LL VETO IT AS SOON AS IT REACHES MY DESK.

A handwritten signature in black ink, appearing to be 'D. Trump', written in a stylized, cursive script.

NOW IF WE AMERICANS ARE GOING TO HONE OUR SKILLS AND REALLY COMPETE IN THE COMING YEARS, WE'VE GOT A LOT MORE TO DO. I WANT US TO KEEP OUR SIGHTS ON THE NEXT AMERICAN CENTURY. WHEN I THINK OF AMERICA IN THE YEAR 2000, I THINK OF THE FIVE STRATEGIC CONCERNS MENTIONED IN MY ADDRESS TO THE NATION LAST FRIDAY.

FIRST, WE MUST CHANGE AND RENEW OUR SCHOOLS. WE MUST BECOME A NATION OF STUDENTS EDUCATING OURSELVES THROUGHOUT OUR LIFETIMES IN THE BEST SYSTEM OF SCHOOLS, COLLEGES AND UNIVERSITIES IN THE WORLD. THIS WILL TAKE REVOLUTIONARY CHANGES. MOST OF OUR STATES AND HUNDREDS OF LOCAL COMMUNITIES ARE COMMITTED TO CHANGE. THEY HAVE JOINED ME ALREADY IN A CRUSADE WE CALL AMERICA 2000. BUSINESS AS USUAL WILL NOT HELP US REACH OUR NATIONAL EDUCATION GOALS. WE NEED TO GET BEHIND WORLD CLASS STANDARDS, NEW CURRICULUM FRAMEWORKS, BREAK-THE-MOLD SCHOOLS, VOLUNTARY NATIONAL TESTING. AND A CENTERPIECE OF OUR PLAN IS THE BELIEF THAT SCHOOLS WILL DO THEIR BEST WHEN PARENTS ENJOY REAL FREEDOM AND REAL RESPONSIBILITY TO CHOOSE THEIR CHILDREN'S SCHOOLS -- PUBLIC, PRIVATE AND RELIGIOUS. ~~SCHOOL CHOICE FOR~~ PARENTS IS AN IDEA WHOSE TIME HAS COME. \ \

SECOND, WE NEED TO MAKE OUR EXCELLENT HEALTH CARE MORE AFFORDABLE AND MORE AVAILABLE TO AMERICANS. WE'VE GOT THE HIGHEST QUALITY HEALTH CARE IN THE WORLD -- BUT EVERYONE SHOULD HAVE ACCESS TO IT. \\ WE ALL KNOW THE PROBLEMS: TOO MANY PEOPLE DON'T HAVE HEALTH INSURANCE -- AND HEALTH CARE COSTS ARE GOING THROUGH THE ROOF. WE ALSO KNOW THAT THE ANSWER DOESN'T LIE IN COSTLY AND COERCIVE PLANS LIKE THE SCHEME TO MAKE EMPLOYERS "PLAY OR PAY." AND THE ANSWER CERTAINLY ISN'T SOCIALIZED MEDICINE. \\ NATIONALIZED HEALTH CARE WOULD BE A NATIONAL DISASTER. ~~AT~~ THE WAY I'VE PROPOSED WE HELP OUR SOCIETY DEAL WITH THIS IS BASED ON MARKETS AND CHOICE. JUST AS IN EDUCATION, VOUCHERS ARE A KEY PART OF MY STRATEGY FOR GIVING AMERICANS A FAIRER AND MORE AFFORDABLE HEALTH CARE SYSTEM. OUR ANSWER IS TO CHANGE OUR HEALTH CARE SYSTEM FOR THE BETTER -- NOT RUIN IT. \\

And I know you're going to

THIRD, WE NEED FUNDAMENTAL LEGAL REFORM -- TO STOP *like*
THE EPIDEMIC OF LAWSUITS. ~~***~~ *this* THINGS ARE SO OUT OF HAND *one*
THAT SOME PARENTS REFUSE TO COACH LITTLE LEAGUE FOR
FEAR OF LIABILITY SUITS. SOME DOCTORS WON'T DELIVER
BABIES ANYMORE BECAUSE OF MALPRACTICE SUITS. \\ WELL,
JUST IMAGINE WHAT WE COULD ACHIEVE IF WE SPENT AS MUCH
TIME HELPING EACH OTHER AS WE DO SUING EACH OTHER. ~~***~~
AND THE COSTS OF LIABILITY AND LITIGATION ON SMALL
BUSINESS ARE ABSOLUTELY HORRENDOUS. YOU KNOW, IN 1989
THERE WERE 18 MILLION LAWSUITS FILED IN AMERICA.
EIGHTEEN MILLION! THAT'S WHY I'VE AGAIN ASKED CONGRESS
TO PASS MY CIVIL JUSTICE REFORM BILL -- WHICH WILL HELP
PEOPLE RESOLVE PROBLEMS THROUGH MEANS OTHER THAN A
COURTROOM. IT WILL HELP PUT A STOP TO FRIVOLOUS
LAWSUITS AND REDUCE THE DRAG ON OUR ECONOMY CAUSED BY
EXCESSIVE LITIGATION. ~~***~~

FOURTH, WE MUST REFORM GOVERNMENT IN LINE WITH ONE OF AMERICA'S MOST IMPORTANT FOUNDING PRINCIPLES: STRICT LIMITS ON THE SIZE AND POWER OF GOVERNMENT. WITH A FEDERAL GOVERNMENT THAT GOBBLES UP A QUARTER OF GNP, WE CAN'T REALLY SAY WE ARE AS FREE AS WE SHOULD BE. ONE QUARTER OF ALL WE PRODUCE AS A NATION -- AS A PEOPLE -- GOES TO PAY FOR THE CENTRAL GOVERNMENT. THAT IS JUST NOT RIGHT. RIGHT NOW, THE SYSTEM IS NOT ACCOUNTABLE, EFFECTIVE, EFFICIENT, OR EVEN COMPASSIONATE. WE NEED GOVERNMENT THAT KNOWS ITS LIMITS -- BUT MORE IMPORTANT, WE NEED A GOVERNMENT THAT WORKS. \ \

WE MUST FIX A CONGRESSIONAL SYSTEM GONE OUT OF CONTROL. CONGRESS, AS AN INSTITUTION CONTROLLED BY ONE PARTY -- THE DEMOCRATS -- FOR ALMOST 40 YEARS -- DESPERATELY NEEDS REFORM. I'LL HAVE MORE TO SAY ABOUT REFORMING CONGRESS AT A LATER DATE. BUT WE CAN START BY COMPELLING CONGRESS TO BE GOVERNED BY THE LAWS THEY IMPOSE ON PEOPLE LIKE YOU. ~~AAA~~ CIVIL RIGHTS LAWS, WAGE AND HOUR LAWS, FAIR LABOR STANDARDS. \ \ WE MUST TOTALLY ELIMINATE THE SPECIAL INTEREST PACS THAT GIVE UNFAIR ADVANTAGES TO INCUMBENTS IN CONGRESS. \ \ AND SAY YES TO THE PEOPLE'S CALL FOR TERM LIMITS ON CONGRESS. ~~BY MY~~ TERM IS LIMITED -- I BELIEVE THEIRS SHOULD BE, TOO. \ \

FIFTH, WE MUST WORK TO EXPAND OUR MARKETS. OF ALL THE LEGACIES I WANT TO HELP CREATE AS YOUR PRESIDENT, FEW COULD BE MORE IMPORTANT THAN OPEN AND FAIR TRADE OPPORTUNITIES FOR OUR MANUFACTURERS AND SERVICE INDUSTRIES -- AND FOR OUR FARMERS AND FOOD INDUSTRIES.

FOOD AND AGRICULTURE TRADE IS THE CRITICAL PROBLEM OF WORLD TRADE. THE EUROPEAN COMMUNITY SPENDS MORE THAN 10 TIMES AS MUCH AS WE DO ON AGRICULTURE EXPORT SUBSIDIES. THIS CANNOT AND MUST NOT GO ON. I MADE THAT POINT IN A VERY VIGOROUS WAY TO CHANCELLOR KOHL OF GERMANY WHEN HE VISITED CAMP DAVID LAST WEEKEND. HIS LEADERSHIP WILL BE VITAL IF WE ARE TO BREAK THE DEADLOCK IN GATT. I KNOW HE WANTS TO SEE A SUCCESSFUL CONCLUSION TO THE URUGUAY ROUND. LET ME ASSURE YOU: WE'LL BE WORKING AS HARD AS POSSIBLE THE NEXT FEW WEEKS TO MAKE A BREAKTHROUGH IN GATT -- BUT AS WE SEE IT, IF THERE'S NO FAIR DEAL FOR AGRICULTURE, THERE CANNOT BE A GOOD GATT AGREEMENT.

A handwritten signature, possibly 'A', is written in black ink below the typed text.

I'M ALSO WORKING TO OPEN UP THE EXCITING MARKET OPPORTUNITIES IN MEXICO. WITH NEARLY 100 MILLION PEOPLE NEXT DOOR, MEXICO IS ALREADY ONE OF OUR BEST CUSTOMERS, AND THEY'LL BUY A LOT MORE AMERICAN GOODS AS SOON AS THESE NEGOTIATIONS ARE CONCLUDED. IT IS ONE OF OUR FASTEST GROWING MARKETS ANYWHERE IN THE WORLD. THE BOTTOM LINE IS: A GOOD AGREEMENT WITH MEXICO MEANS MORE U.S. JOBS. ★

LAST YEAR OUR EXPORTS AROUND THE WORLD REACHED RECORD LEVELS, SO THE MORE TRADE BARRIERS WE CAN KNOCK DOWN THE BETTER. ON A LEVEL PLAYING FIELD, I KNOW AMERICANS CAN OUT-PRODUCE AND OUT-PERFORM ANYONE, ANYTIME, ANYWHERE. \ \ ★★

ON EACH OF THESE CHALLENGES, THERE ARE TWO ROADS TO TAKE: ONE IS REFORM, THE OTHER PROTECTS THE STATUS QUO.

**YOU AND I ARE GATHERED ON CAPITOL HILL TODAY
BECAUSE WE SHARE A COMMON PURPOSE. WE'RE HERE IN THE
NEIGHBORHOOD OF A CONGRESS THAT FAILS TO HEED CALLS FOR
REFORM, THAT SO FAR HAS FAILED TO PASS A SIMPLE BUT
EFFECTIVE PLAN TO HELP CREATE JOBS AND BUILD
CONFIDENCE. WE'RE NOT SIMPLY GOING TO COMPLAIN ABOUT
THE CONGRESS. WE'RE GOING TO TRY TO CHANGE IT. **

**THERE ARE HUNDREDS OF YOU HERE -- HOMETOWN BUSINESS
LEADERS WHO ARE THE BACKBONE OF YOUR COMMUNITIES. JUST
AFTER THIS SPEECH, I UNDERSTAND THAT ALL OF YOU ARE
HEADED UP THE HILL TO VISIT YOUR SENATORS AND
REPRESENTATIVES. I HOPE YOU'LL PASS ALONG MY WARMEST
THANKS TO THOSE WHO SUPPORTED OUR ECONOMIC GROWTH PLAN.**

THIS WILL BE MY FINAL CAMPAIGN -- AND I PLAN TO FIGHT AS NEVER BEFORE. I HAVE HAD THE PRIVILEGE OF BEING YOUR PRESIDENT AT THE GREAT TURNING POINT WHEN FREEDOM PREVAILED OVER IMPERIAL COMMUNISM, WHEN THE BERLIN WALL CAME DOWN, WHEN IRAQ'S AGGRESSION WAS DEFEATED, AND WHEN DEMOCRACY REALLY GOT ON THE MOVE IN OUR HEMISPHERE. WE ARE HELPING SOLIDIFY A LEGACY OF PEACE. BUT I WON'T REST UNTIL I HELP THIS COUNTRY WIN ANOTHER LEGACY. WORKING TOGETHER, WE'VE CHANGED THE WORLD -- NOW WE CAN CHANGE AMERICA. THANK YOU, AND GOD BLESS THE UNITED STATES OF AMERICA.

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great looking stage + backdrop

large attentive audience

videos before Derek Storm - Thanksgiving

Lee Greenwood

parade - Schwartzkopf

March 24, 1992

MEMORANDUM FOR DAVID DEMAREST
DAN MCGROARTY
SPEECHWRITERS
RESEARCHERS

FROM: BOB SIMON *RS*
SUBJECT: GROCERS' ASSEMBLY SPEECH

This event had all the makings of a great event. It was on Capitol Hill just after the March 20 deadline. There was a beautiful stage and backdrop. It was a largely GOP audience. They played a video of the President just before he came on with Lee Greenwood singing "God Bless the USA."

Yet somehow, what could have been a great event just wasn't. The video, while a good idea, was shlock together, and featured exclusively Desert Storm footage of GB in Saudi, and the D.C. victory parade. I noticed on Henson's copy of the speech he had drawn a big X through the one opening joke that the President had left in. (The President did no opening jokes, and needed one.)

The speech, after 8 drafts, had been watered down to the point where there were few applause lines and absolutely no news. The President's delivery was even more slow and deliberate than usual (on teleprompter). I believe people listened attentively to the 5-part long-term growth section, and looked interested, but did not appear especially moved.

The audience applauded 16 times. Eight times, the applause was perfunctory (and actually started by their leader on the stage, Boyd George ((no jokes please, the guy's heard 'em all week.)))

Lines that got genuine applause were:

"I vetoed their tax increase."

"Give me the line item veto."

Will veto over-regulation

Choice in schools -- public, private and religious

... helping each other rather than suing each other.

"Third, [and I know you're going to like this one] we need fundamental legal reform -- to stop the epidemic of Lawsuits." (long, vigorous applause) [adlibbed bracketed]

"... compelling Congress to be governed by the law they impose on people like you."

Term limits on Congress

Overall, I think the speech went over very well to the people in the room. (They announced that in a straw poll of the audience, 80% supported the President's reelection.)

However, as an attempt to communicate the President's message to the country, it was a non-event.

One footnote: the language in the speech about being for change and against the status quo Congress and special interests is good and should be put to use in the future. Example: "The system is not accountable, effective, efficient, or even compassionate."
"There are two roads to take: one is reform, the other protects the status quo."

(Duggan/Simon)
March 23, 1992
Draft Eight
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY CAPITOL HILL
TUESDAY, MARCH 24, 1992
11:00 a.m.

[Acknowledgments]

((It's a pleasure to be with so many of the people who bring broccoli to the grocery shelves of America.))

((When I was at a grocers' convention in Florida recently, the press wondered why I was so impressed with a new check-out scanner I was shown. I'll tell you why. It was so sophisticated, when I ran my hand across it, it predicted the number of electoral votes I'd get in November.))

((Seriously, though, those new scanners can actually read the signature on a check. Something tells me you'll soon be seeing them in every store on Capitol Hill.))

I'm here today to ask you to help me change this country -- to make it stronger and better. We've changed the world -- we've won a great victory for world peace and freedom. Just as we'll stay engaged with the world, now we must change America. Let me tell you what that means: We'll leave a legacy of productive jobs for our citizens, with strong families -- secure in a more peaceful world.

I have a strategy to renew America and keep our country strong in the next century. I proposed a plan to stimulate the economy without raising taxes -- and without increasing the federal deficit. Action to strenghten real estate. Action to

help young families buy that first home -- now. \\ I asked for action to create good jobs. One of those action items was to cut the tax on capital gains. \\

But the majority in Congress could not break their tax-and-spend habits. \\ I asked for action to stimulate this economy - - not stifle it. \\ I asked for a jobs bill -- and they passed a bill to increase income taxes by 90 billion dollars. \\

They turned their backs on first-time homebuyers by failing to enact a \$5,000 tax credit. They watered down my investment tax allowance and other reforms to help businesses modernize and compete. They tinkered with the capital gains tax, but if their plan were adopted that tax would still be among the highest in the developed world.

Yes, I was disappointed in the Congress, but frankly not surprised. So last Friday, I vetoed their tax increase. \\ \\ Then, I announced actions I would take on my own to cut the fat out of government, to cut the red tape that chokes our competitive spirit, and to get this country up to speed for the long haul. \\

You and I have business experience: We know what the tax increase would really do. About 80 percent of the revenue increase resulting from the higher rates would come from small businesses. More than a million small businesses would be affected -- many of them crippled -- by the Democrats' tax increase. Thousands of family-run grocery and convenience stores are in this category. Small family farms also could face

financial ruin from such a tax hike.

The bill I've just vetoed tried to raise the marginal rate for small family businesses and farms by about 18 percent.

Just think about the impact of this on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. You operate on the thinnest of profit margins -- for wholesalers it's often less than a penny on the dollar.

If you had to face a big increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service. Competition would press you to hold out as long as possible before passing costs along to your customers -- so you might have to eliminate jobs. Eventually everyone in the business would have to pass the costs along -- and that would fuel inflation.

Those are simple facts of life for people trying to make a living. Even as millions of American families were huddling over their kitchen tables to work on their tax returns, the liberal Congress tried to raise their taxes by \$90 billion.

Last Friday I vetoed their massive tax increase. And I sent Congress my first line-item rescissions -- cutting \$3.6 billion in wasteful spending. These will serve notice to Congress that the days of wasteful spending are over. And it is a step symbolic of the power that 43 governors have -- the line-item veto.

I'm also fighting for economic growth through actions that don't need to be passed by this Congress. Take a look at

government regulation. Day by day, rule by rule, and industry by industry, we're winning battles against over-regulation. We're winning victories for common sense and freedom. Just last Thursday, for example, my Administration announced reforms on nutrition labeling for meat and poultry. Our reforms will keep our food supply every bit as safe, but we will reduce the burden and expense of regulation on American consumers -- and on our hard-working food producers and grocers. \\\ If Congress sends me any new legislation that would over-regulate our economy, I'll veto it as soon as it reaches my desk. Now if we Americans are going to hone our skills and really compete in the coming years, we've got a lot more to do. I want us to keep our sights on the next American Century. When I think of America in the year 2000, I think of the five strategic concerns mentioned in my address to the nation last Friday.

First, we must change and renew our schools. We must become a nation of students educating ourselves throughout our lifetimes in the best system of schools, colleges and universities in the world. This will take revolutionary changes. Most of our states and hundreds of local communities are committed to change. They have joined me already in a crusade we call America 2000. Business as usual will not help us reach our national education goals. We need to get behind world class standards, new curriculum frameworks, break-the-mold schools, voluntary national testing. And a centerpiece of our plan is the belief that schools will do their best when parents enjoy real freedom and

real responsibility to choose their children's schools -- public, private and religious. School choice for parents is an idea whose time has come. \\

Second, we need to make our excellent health care more affordable and more available to Americans. We've got the highest quality health care in the world -- but everyone should have access to it. \\ We all know the problems: Too many people don't have health insurance -- and health care costs are going through the roof. We also know that the answer doesn't lie in costly and coercive plans like the scheme to make employers "play or pay." And the answer certainly isn't socialized medicine. \\ Nationalized health care would be a national disaster. \\ The way I've proposed we help our society deal with this is based on markets and choice. Just as in education, vouchers are a key part of my strategy for giving Americans a fairer and more affordable health care system. Our answer is to change our health care system for the better -- not ruin it. \\

Third, we need fundamental legal reform -- to stop the epidemic of lawsuits. \\ Things are so out of hand that some parents refuse to coach Little League for fear of liability suits. Some doctors won't deliver babies anymore because of malpractice suits. \\ Well, just imagine what we could achieve if we spent as much time helping each other as we do suing each other. \\ And the costs of liability and litigation on small business are absolutely horrendous. You know, there were 18 million lawsuits filed in America last year. Eighteen million!

That's why I've asked Congress to pass my civil justice reform bill -- which will help people resolve problems through means other than a courtroom. It will help put a stop to frivolous lawsuits and reduce the drag on our economy caused by excessive litigation. \\

Fourth, we must reform government in line with one of America's most important founding principles: strict limits on the size and power of government. With a federal government that gobbles up a quarter of GNP, we can't really say we are as free as we should be. One quarter of all we produce as a nation -- as a people -- goes to pay for the central government. That is just not right. Right now, the system is not accountable, effective, efficient, or even compassionate. We need government that knows its limits -- but more important, we need a government that works. \\ We must fix a congressional system gone out of control. Congress, as an institution controlled by one party -- the Democrats -- for almost 40 years -- desperately needs reform. I'll have more to say about reforming Congress at a later date. But we can start by applying to Congress all the laws they impose on people like you: Civil rights laws, wage and hour laws, fair labor standards. \\ We must eliminate the special interest PACs that give unfair advantages to incumbents in Congress. \\ And say yes to the people's call for term limits on Congress. \\ My term is limited -- I believe theirs should be, too. \\

Fifth, we must work to expand our markets. Of all the legacies I want to help create as your President, few could be

more important than open and fair trade opportunities for our manufacturers and service industries -- and for our farmers and food industries.

Food and agriculture trade is the critical problem of world trade. The European Community spends more than 10 times as we do on agriculture export subsidies. This cannot and must not go on. I made that point in a very vigorous way to Chancellor Kohl of Germany when he visited Camp David last weekend. His leadership will be vital if we are to break the deadlock in GATT. Let me assure you: We'll be working as hard as possible the next few weeks to make a breakthrough in GATT -- but as we see it, if there's no fair deal for agriculture, there cannot be a good GATT agreement.

I'm also working to open up the exciting market opportunities in Mexico. With nearly 100 million people next door, Mexico is already one of our best customers, and they'll buy a lot more American goods as soon as these negotiations are concluded. It is one of our fastest growing markets anywhere in the world.

Last year our exports around the world reached record levels, so the more trade barriers we can knock down the better. On a level playing field, I know Americans can out-produce and out-perform anyone, anytime, anywhere. \\

On each of these challenges, there are two roads to take: One is reform, the other protects the status quo.

You and I are gathered on Capitol Hill today because we

share a common purpose. We're here in the neighborhood of a Congress that fails to heed calls for reform, that fails to pass a simple plan to help create jobs and build confidence. We're not simply going to complain about the Congress. If we can change the world, we can change the Congress. \\ Whoever can't help get this country moving -- can get out of the way. \\

There are hundreds of you here -- hometown business leaders who are the backbone of your communities. Just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I hope you'll pass along my warmest thanks to those who supported our economic growth plan. But for those who are part of the crowd that's trying to stifle the economy while squeezing more taxes out of working Americans, I'd like you to send them this message: Goodbye.

This will be my final campaign -- and I plan to fight as never before. I never dreamed I'd have the privilege of being your President at the great turning point when freedom prevailed over imperial Communism. But I won't rest until I help this country win another legacy. Working together, we've changed the world -- now we can change America. Thank you, and God bless the United States of America.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 20, 1992

TO THE HOUSE OF REPRESENTATIVES:

I am returning herewith without my approval H.R. 4210, the "Tax Fairness and Economic Growth Acceleration Act of 1992." In my State of the Union Message, I proposed a responsible, balanced economic growth program. I challenged the Congress to pass incentives for growth by March 20. The Congress failed to meet that challenge. The Congress' response, H.R. 4210, is a formula for economic stagnation, not economic expansion.

My Administration's economic growth program would create jobs, generate long-term economic growth, and promote health, education, savings, and home ownership. My plan would encourage investment and enhance real estate values -- without tax increases.

Tax increases would undermine the emerging recovery and act as a barrier to long-term growth. I call on the Congress to pass the seven commonsense measures that I asked for by this date, without tax increases, and to join me in pursuing a long-term agenda for growth.

I am disappointed that after 52 days the Congress has produced partisan, flawed legislation. Rather than work in a constructive manner to strengthen the economy and to create jobs, congressional leaders chose the path of partisanship. H.R. 4210 would jeopardize the recovery. It would not create jobs. It would not create incentives for long-term investment and growth, it does not contain a tax credit for first-time homebuyers, and it contains wholly inappropriate special interest provisions.

H.R. 4210 would increase taxes by more than \$100 billion. More than two-thirds of all taxpayers facing tax increases as a result of this bill would be owners of small businesses and entrepreneurs. Small businesses are the primary source of new job creation.

H.R. 4210 would raise income tax rates substantially for some individuals, in some cases increasing marginal rates by more than 30 percent.

This is the wrong time to raise taxes, to increase the deficit, or to send a message of fiscal irresponsibility to financial markets.

I am therefore returning H.R. 4210, and I ask the Congress again to pass my economic growth program, without raising taxes.

GEORGE BUSH

THE WHITE HOUSE,
March 20, 1992.

(Duggan/Simon)
March 23, 1992
Draft Six
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY CAPITOL HILL
TUESDAY, MARCH 24, 1992
11:00 a.m.

[Acknowledgments]

((It's a pleasure to be with so many of the people who bring broccoli to the grocery shelves of America.))

((When I was at a grocers' convention in Florida recently, the press wondered why I was so impressed with a new check-out scanner I was shown. I'll tell you why. It was so sophisticated, when I ran my hand across it, it predicted the number of electoral votes I'd get in November.))

((Seriously, though, those new scanners can actually read the signature on a check. Something tells me you'll soon be seeing them in every store on Capitol Hill.))

I'm here today to ask you to help me change this country -- to make it stronger and better. We've changed the world -- we've won a great victory for world peace and freedom. Just as we'll stay engaged with the world, now ~~it's a top priority that we~~ ^{must} make things better here at home. Let me tell you what that means: ~~It's a legacy of~~ productive jobs for our citizens, with strong families -- secure in a more peaceful world.

I have a strategy to renew America and keep our country strong in the next century. I proposed a plan to stimulate the economy without raising taxes -- and without increasing the federal deficit. Action to strengthen real estate. Action to

help young families buy that first home -- now. \\ I asked for action to create good jobs. One of those action items was to cut the tax on capital gains. \\

But the majority in Congress could not break their tax-and-spend habits. \\ I asked for action to stimulate this economy -- not stifle it. \\ I asked for a jobs bill -- and they passed a bill to increase income taxes by 90 billion dollars. \\ They turned their backs on first-time homebuyers by failing to enact a \$5,000 tax credit. They rejected the investment tax allowance and other reforms to help businesses modernize and compete. They voted to keep our capital gains tax among the highest in the developed world.

Yes, I was disappointed in the Congress, but frankly not surprised. So last Friday, I vetoed their tax increase. \\ \\ Then, I announced actions I would take on my own to cut the fat out of government and to cut the red tape that chokes our competitive spirit. \\

You and I have business experience: We understand the cost of over-regulation. We know what the tax increase would really do. About two-thirds of the taxpayers who would be subject to the higher rates are owners of small businesses. More than a million small businesses would be affected -- many of them crippled -- by the Democrats' tax increase. Thousands of family-run grocery and convenience stores are in this category. Small family farms also could face financial ruin from such a tax hike.

~~The bill I've just vetoed tried to raise the marginal rate~~

Clair
Buchan
566-8773

~~for small family businesses and farms by more than 25 percent.~~

Just think about the impact of this on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. You operate on the thinnest of profit margins -- for wholesalers it's often less than a penny on the dollar.

If you had to face more than a 25 percent increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service. Competition would press you to hold out as long as possible before passing costs along to your customers -- so you might have to eliminate jobs. Eventually everyone in the business would have to pass the costs along -- and that would fuel inflation.

Those are simple facts of life for people trying to make a living in business.

So last Friday I vetoed their massive tax increase. And I directed the Secretary of Labor to implement promptly the Supreme Court's Beck decision. It is just not right to force a worker to have money taken out of his paycheck to finance the campaigns of politicians he opposes. And my Administration is going to uphold these fundamental rights for American workers.

Also last Friday, I sent Congress my first line-item recissions. This will hold Congress to account as I seek to cut \$4 billion in wasteful spending. And it will bring us a step closer to the power that 43 governors have -- the line-item veto.

I'm also fighting for economic growth through actions that don't need to be passed by this Congress. Take a look at

government regulation. Day by day, rule by rule, and industry by industry, we're winning battles for common sense against over-regulation. Just last Thursday, for example, my Administration announced reforms on nutrition labelling for meat and poultry. Our reforms will keep our food supply every bit as safe, but we will reduce the burden and expense of regulation on American consumers -- and on our hard-working food producers and grocers. \\ \\ If Congress sends me any new legislation that would over-regulate our economy, I'll veto it as soon as it reaches my desk.

Now if we Americans are going to hone our skills and really compete in the coming years, we've got a lot more to do. I want us to keep our sights on the next American Century. My strategy focuses on five key concerns:

First, we must change and renew our schools. When I think of America in the year 2000, I think of a nation of students educating ourselves throughout our lifetimes in the best system of schools, colleges and universities in the world. This will take revolutionary changes. Most of our states and hundreds of local communities have joined me already in a commitment we call America 2000. Business as usual will not help us reach our national education goals. We need to get behind world class standards, new curriculum frameworks, break-the-mold schools, voluntary national testing. And a centerpiece of our plan is the belief that schools will do their best when parents enjoy real freedom and real responsibility to choose their children's schools. School choice for parents is an idea whose time has

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best
sheet

come. \\

Second, we need to make our excellent health care more affordable and more available to Americans. \\ We all know the problems: Too many people don't have health insurance -- and health care costs are going through the roof. We also know that the answer doesn't lie in costly and coercive plans like the scheme to make employers "play or pay." And the answer certainly isn't socialized medicine. \\ ~~Nationalized~~ health care would be a national disaster. \\ The way I've proposed we help our society deal with this is based on markets and choice. Our answer is to change our health care system for the better -- not ruin it. Just as in education, vouchers are a key part of my vision of giving Americans a fairer and more affordable health care system. \\

Third, we need to stop the epidemic of lawsuits. \\ Things are so out of hand that parents refuse to coach Little League for fear of liability suits. Some doctors won't deliver babies anymore because of malpractice suits. \\ Well, just imagine what we could achieve if we spent as much time helping each other as we do suing each other. \\ And the costs of liability and litigation on small business are absolutely horrendous. You know, there were 18 million lawsuits filed in America last year. Eighteen million! That's why I've asked Congress to pass my civil justice reform bill -- which will help people resolve problems without needless lawsuits. \\

Fourth, we must reform government in line with one of

Competitiveness
Council
Civil
Justice
Reform
Report

America's most important founding principles: strict limits on the size and power of government. With a federal government that now gobbles up a quarter of GNP, we can't really say we are as free as we should be. We must fix a congressional system gone out of control. Let's apply to Congress all the laws they impose on people like you: Civil rights laws, the minimum wage, fair labor standards, and so forth. \\ And let's eliminate the special interest PACs that give unfair advantages to incumbents in Congress. \\ And say yes to the people's call for term limits on Congress. \\ My term is limited -- theirs should be, too. \\

Fifth, we must work to expand our markets. I want to open up the exciting market opportunities in Mexico as soon as possible. As we work for the North American Free Trade Agreement, I'm also making progress advancing my vision of open trade and rising investment throughout the entire Western Hemisphere. [placeholder for insert from Clayton Yeutter on Kohl meeting and GATT] With open markets and a level playing field, I know Americans can out-produce and out-perform anyone, anytime, anywhere. \\

On each of these challenges, there are two roads to take: One is reform, the other protects the status quo.

You and I are gathered on Capitol Hill today because we share a common purpose. We're here in the neighborhood of a Congress that fails to heed calls for reform, that fails to pass a simple plan to help create jobs and build confidence. We're not simply going to complain about the Congress -- we're going to

GOP
 \$ 7 trillion
 Budget
 FY 92
 1.4 trillion

change the Congress. \ \ Whoever can't help get this country moving -- can get out of the way. \ \

There are hundreds of you here -- hometown business leaders who are the backbone of your communities. Just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I hope you'll pass along my warmest thanks to those who supported our economic growth plan. But for any of those members of Congress who happen to be part of the crowd that's trying to stifle the economy while squeezing more taxes out of working Americans, I'd like you to send them this message: Goodbye.

This will be my final campaign -- and I plan to fight as never before. I never dreamed I'd have the privilege of being your President at the great turning point when freedom prevailed over imperial Communism. But I won't rest until I help this country win another legacy.

You can help me. You can help lead this country to new heights of freedom and prosperity. Thank you, and God bless the United States of America.

#

Introduction

Litigation and the American Economy

America has become a litigious society. In 1989 nearly 18 million new civil cases were filed in the state and federal courts. This amounts to one lawsuit for every ten

adults. In the federal courts alone, the number of lawsuits filed each year has almost tripled in the last thirty years — from approximately 90,000 in 1960 to more than 250,000 in 1990.

This dramatic growth in litigation carries with it very high costs

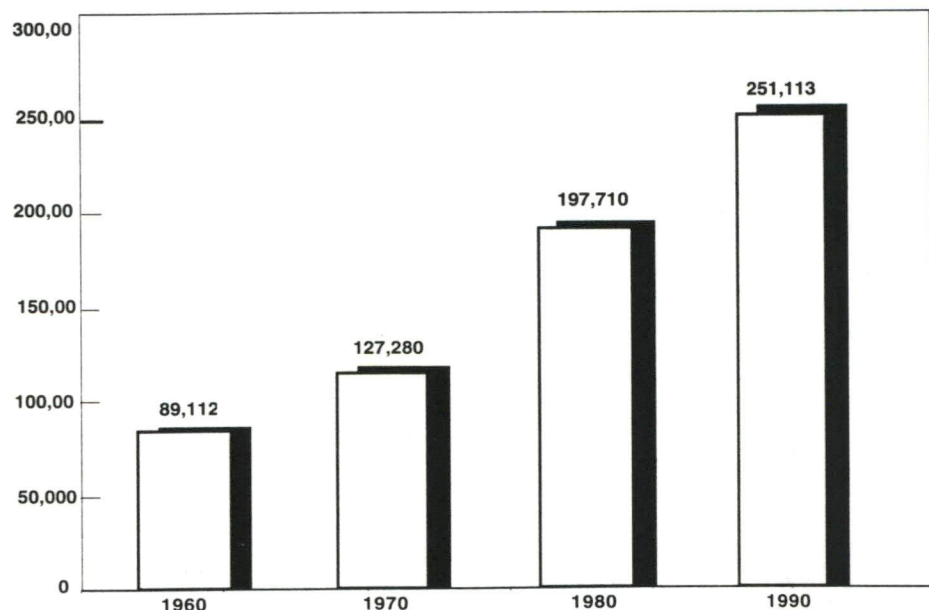
for the U.S. economy. A recent article in *Forbes* estimates that individuals, businesses and governments spend more than \$80 billion a year on direct litigation costs and higher insurance premiums, and a total of up to \$300 billion indirectly, including the cost of efforts to avoid liability.

Unrestrained litigation necessarily exacts a terrible toll on the U.S. economy. According to a recent report by a Professor of Finance at the University of Texas, it is esti-

imated that the average lawyer takes \$1 million a year from the country's output of goods and services. These baleful effects are

***Businesses and governments
spend more than
\$80 billion a year on direct
litigation costs . . .***

Total Federal District Court Filings



SOURCE: *Federal Courts Study Committee - Working Papers and Subcommittee Reports; July 1990, Vol. 2; 1990 filings; 1990 Federal Court Management Statistics*

A Report from the
President's Council on Competitiveness

Agenda for Civil Justice Reform in America



August 1991

TREASURY NEWS



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202-566-8191

Democrat party

Secretary Nicholas F. Brady
Remarks to the
National Press Club
March 12, 1992

*why is it
the Democrats
love employers
but hate
employers?*

Thank you Alan [Adams]. It's a pleasure to be here at the National Press Club again.

Today I want to take a few minutes to discuss a question that is on many Americans' minds. People have become uncertain about their economic future. They see a rapid pace of change, both here and abroad, and they ask themselves "Where do we stand?"

The conventional wisdom has an answer to that question, an answer rooted in doubt and discouragement: America, we are told, is going downhill. Our economy -- so says the conventional wisdom -- is weak: our goods uncompetitive, our managers inefficient, our workers idle and ill-educated. Germany and Japan are said to be the powerhouses of today and the leaders of tomorrow; the pundits claim that the American Century is drawing to a close.

This view has now been repeated so often and so insistently -- in our newspapers and journals of opinion, in our colleges and universities, in our board rooms and our hearing rooms, and even on Geraldo -- that it has become the opening statement in the debate, no longer to be questioned. These pessimists would judge prescriptions by whether they make us comfortable in our decline, and whether they have a better solution of how to slice an even smaller economic pie.

This bleak appraisal of America's prospects -- like much conventional wisdom -- is seductive, but it's wrong. It reflects a determination to see calamity rather than opportunity. Let us set aside pessimism, and turn to common sense observations about where we stand, and where we go from here.

First, we must lay to rest the myth that America is somehow on its way to becoming an economic backwater. If the pessimists think that the U.S. economy is weak and will soon be overtaken by

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economies such as Germany or Japan, they are wrong. The U.S. economy remains the world's preeminent economic power. Total U.S. output is twice the size of Japan's and four times as big as Germany's. With only one-twentieth of the world's population, we produce one-fourth of the world's output.

If the pessimists think any country has a higher standard of living, they are wrong. U.S. GDP per capita, adjusted for purchasing power, is 25% higher than that of Japan and one third higher than Germany's.

If the pessimists think that U.S. manufacturing of high technology products is no longer competitive in world markets, they are wrong. This nation is the world's leading exporter of aircraft and aerospace equipment, computers, microelectronics and scientific and precision equipment. When the Economic Planning Agency of the Japanese government in 1991 evaluated 110 critical technology categories, it determined that American companies dominate 43 of them, Japanese firms 33 and the rest of the world the remaining 34.

If the pessimists think that Japanese or German workers are more productive than American workers, they are wrong. Output per employee in the United States is over 25 percent greater than in Japan or Germany.

If pessimists think the U.S. is losing ground to Germany and Japan in world markets, they are wrong. Since 1986, U.S. merchandise exports have grown 20% faster than Germany's and 70% faster than Japan's.

America remains the land of opportunity -- a place where American men and women can fulfill their unparalleled capacity for innovation and enterprise.

Yet, if all that's so -- and it is -- why do so many Americans lack confidence about the future, our own and our children's?

To some extent, the conventional wisdom simply feeds on itself. So long as we are told at every turn that the future is uncertain, the more uncertain about our future we become.

But there is more to it than this. Although the American economy as a whole remains internationally preeminent, it is no longer free from competitive pressure from abroad. Twenty years ago, for example, General Motors viewed its only serious competitors as Ford and Chrysler. Today, it competes with Honda, Volvo, Toyota, and Volkswagen, to name only a few.

This vigorous international competition is new, confusing and threatening for many Americans. Some would respond by retreat, by circling the wagons, by attempting to close our borders. But this is a sure route to economic decline -- to a lower standard of living for the American people. Instead we must face head on the reality that we now live in a challenging global economic environment.

As an economy modernizes -- faces new competition and enjoys new technological innovations -- the best uses of its resources naturally change. As old companies trim down, new companies open their doors and create new jobs. The entire history of our nation has been a continuing series of such developments. We have not only endured, but thrived -- and thrived in large part because of our openness to change.

The changes I am talking about are not always painless. But the technical innovations and world trade that have led to these pressures are *producing* jobs within our economy. Our merchandise exports have increased by \$190 billion over the last 5 years, and every billion dollars in increased exports by U.S. companies supports almost 20,000 new jobs. For every 2 1/2 percent growth in GDP, we create almost 2 million new jobs per year.

But the energy that drives the country will only prosper when economic decisions are made by the people in the market place, not in the Congress. We must never forget where good ideas and good products come from. The Salk vaccine was not discovered on Capitol Hill. The airplane was not invented on Pennsylvania Avenue. The energy that drives our country comes from American workers and American businesses, not from Washington D.C.

There is a role for government, but frankly, the American people now are wondering whether it will be a constructive or destructive one.

It is the government's job to help -- not to hinder -- economic progress. The responsibility of those of us in government is to put in place policies that create a climate for economic growth. Only sustained economic growth can improve the incomes of wage-earning men and women.

To keep America growing and the American economy strong, the government needs to live within its means and to provide incentives for hard-working Americans to save and invest -- to build a better future.

When the government fails to control its spending -- to take as little as it can from the people, to husband the resources it does take, and to control deficits -- it drains dollars that could be used in the private sector, and hinders economic growth.

When the government needlessly overregulates businesses and empowers its civil courts to award unlimited damages to consumers for accidents that no amount of care or diligence by the manufacturer could have avoided, it hinders economic growth.

When the government refuses to reform a legal system that makes 80 percent of all obstetricians defendants in malpractice lawsuits, it needlessly drives up the costs of health care and hinders economic growth.

The President recognizes such problems and has proposed initiatives that, for the longer term, will increase our investments in both physical and human capital, reduce unnecessary regulatory burdens on industry, and relieve the long-term pressure on the economy created by the excessive federal deficit.

The President's plan includes:

- o Education reform to bring the skills of our future workers up to a standard of excellence;
- o Reform of our legal system so that Americans can spend less time litigating and more time innovating;
- o Health care reform to provide broader access to the best quality health care in the world;
- o Welfare reform to break the cycle of dependency;
- o Increased funding for Head Start and strengthened job training;
- o A trade policy that opens markets to American goods and services;
- o Reform of our archaic banking laws to enable banks to be internationally competitive and financially healthy;
- o Reform of our pension guarantee laws to protect the American people against future losses;
- o Spending cuts, including complete elimination of 246 programs and over 4,000 projects;
- o And record federal support for research and development to keep our nation on the cutting edge of new technologies.

We simply can not allow our nation's economy to have its strength sapped by overregulation, a debilitating legal system and Congressional indifference to the priority of economic growth.

I believe that the American people's uncertainty about the long term -- about both our ability to compete and the government's capacity to enact laws that aid this ability -- has contributed to the short term difficulties of our economy. If these uncertainties about our future can be dispelled, and balance and common sense prevail, we could all be optimistic about our future.

The false start we experienced last year makes us all humble about predicting just when the economy will pick up speed.

But here's how economic rebounds happen; actually, what I think is already happening. The people making investment decisions, the people making hiring decisions, those buying goods or purchasing services are seeing a number of positive signs that the economy has started to grow again. When we recognize that these are not isolated incidents, but a pattern pointing in a definite direction, the confidence that has been lost during this recent period of uncertainty will be restored.

And there are encouraging signs. Last week's increase in the leading economic indicators is one. New manufacturing orders increased in February. Sales of new domestic cars are improving. Inflation is at the lowest level since the early '60's. And today's retail sales increases are very strong.

Corporate profits are beginning to rebound, and as they do, corporate investment -- which is crucial to greater productivity and jobs -- will increase. According to the most recent Department of Commerce survey, corporate managers are planning to increase spending by 6 percent this year.

Housing -- historically a critical industry in lifting the nation out of recession -- is also demonstrating new strength. Home sales and housing starts are both up.

The economy, we feel, is returning to a pattern of growth.

But despite these positive signs, this is no time for complacency. Last year we thought we saw an economic upturn, and instead, the economy remained sluggish. Job creation -- our most critical concern -- remains uneven. And last month's increase in the unemployment rate was disappointing, even though there was some good news: 164,000 nonfarm jobs were added to the economy in February.

Of course, an essential element for this recovery is the conduct of monetary policy. To the American consumer, the signals given by the Federal Reserve about interest rates and its expectations for the future are far more critical than the technicians' latest readings. One only has to remember back to last December to appreciate the positive effect on all Americans of that month's sharp reduction in the discount rate. If growth of the money supply were to stagnate in the spring of '92 as it did in the spring and summer of '91, the recovery would be threatened and an opportunity lost.

The two points I have made today -- ending our uncertainty and beginning a real economic recovery-- have everything to do with what is going on right now on Capitol Hill.

President Bush has put forward a responsible economic package that will accelerate economic recovery in the short term, free the economy to realize its potential in the long term, and increase the competitiveness of American goods and services in the world economy.

The President's plan recognizes that the elements of a recovery are in place, but that positive, concrete steps are needed. We don't need the long bomb, we just need good block and tackle football.

Accordingly, the President's plan is directed at the specific needs and aspirations of the American people: It will assist families to buy a house, to save for the future, to finance education, to purchase health insurance, and to plan for retirement. And these initiatives will provide stimulus in both the short and long term.

The President has proposed seven specific short-term growth initiatives, which embody fundamental principles that have received wide agreement. I want to mention three of the seven examples.

- 1) Adopting a \$5,000 tax credit to help more Americans buy their first home;
- 2) Creating an investment tax allowance that will inject billions into the economy by encouraging more businesses to invest;
- 3) Reducing the tax on capital gains, to encourage capital formation and create jobs.

(The other four critical elements of the President's short-term package are passive loss relief for full-time real estate developers, penalty-free IRA withdrawals for first-time home buyers, enhanced corporate alternative minimum tax depreciation, and facilitated real estate investments by pension funds.)

These provisions will encourage construction and productive investment, ease the obstacles that have grown to home ownership for young families, and stimulate the risk takers. And yes, even the Democrats have agreed that these principles are the right ones -- they have finally endorsed a capital gains tax reduction.

But rather than attempting to work with the President to accelerate economic growth and create jobs, the Democrats have devised a partisan plan that raises taxes -- a plan that they know the President will not sign.

The current political battle in Washington is nothing less than a fundamental clash of values -- a clash of values that in recent years has contributed to the sluggish growth of our nation's economy and threatens economic recovery.

The Democrats in Congress believe that politicians in Washington, not free markets, should allocate the nation's resources. They believe that guiding the redistribution of limited economic output is far more important than encouraging economic growth and expanding opportunities for all Americans. And they believe that they should determine the size of government and then tax the American people to fund their plans; that the government should simply take whatever it wants.

Republicans believe that we must eliminate waste and efficiently manage what we have -- not ask for more. Republicans believe that the government should live with budget discipline, just as an American family does, that government should reduce its spending to fit the tax revenues it currently receives.

When it comes to paying for their new initiatives, of course, the Democrats in Congress refuse to look to spending cuts. In both the House and the Senate they have reached the conclusion that the government -- rather than the American people -- should spend the defense savings.

And what the Democrats are trying to label a tax increase on the wealthy is nothing less than an attack on the most effective job creating enterprises in the United States -- this nation's small businesses. The Democrats' tax increase hits right at the heart of small farms and business proprietorships and partnerships. About two-thirds of the taxpayers who would be subject to higher tax rates are owners of small businesses -- the kinds of businesses that create jobs in this country. It is not hard to figure out who will be hurt -- more than a million of

this nation's small businesses -- working Americans. The plan of the Democratic majority is a job killer, not a job creator.

When I talk about tax increases and its effect on jobs and business, I'm not talking abstract theory. I've been there. I'm from New Jersey. We ran the experiment for you, and here's what it showed: higher tax rates were followed by businesses leaving the state and sharp economic decline. And when the people saw the results of the Democrats' tax-raising handiwork, they reacted at the polls. In November of 1991, Republicans won control of both houses in the New Jersey legislature for the first time in 20 years. And not just majorities -- veto-proof majorities in each house to make sure it didn't happen again.

I ask you, why should we run this experiment again at the national level?

But it is not too late. If the Democrats would forsake the politics of division and embrace the cause of growth, the President's proposals could be enacted immediately -- paid for by spending cuts and reforms, not tax rate increases. And the President would sign this bill immediately. More than that, its enactment would demonstrate that Congress can act in a way that benefits the American people.

If the collapse of communism and the disintegration of the Soviet Union this past year have taught us anything at all, it is that government policies that concentrate on managing how limited resources are distributed among the people are a poor substitute for concentrating on creating economic growth.

We are indeed on the brink of a new world -- one that begins with the end of the Cold war -- an economic stimulus that none of us can now calculate, but which will be, over time, of enormous proportions.

The critical task for all of us in government is to work together to strengthen our economy -- for that is what the American people want and deserve.

Thank you.

###

THE WHITE HOUSE

Office of the Press Secretary

March 19, 1992

FACT SHEET ON AGRICULTURE REFORMS

As part of the President's 90-day regulatory relief initiative, Secretary of Agriculture Edward Madigan today announced several actions to reduce the burden of regulation on American farmers, consumers and businesses. These actions will reduce regulatory compliance costs and enhance USDA's ability to serve the public.

1. Reducing Regulatory Compliance Costs. The Department is taking the following steps to reduce regulatory compliance costs while still protecting consumers and taxpayers.
 - o Nutrition Labelling. In November, USDA's Food Safety and Inspection Service (FSIS) proposed certain nutrition labelling requirements for meat and poultry products. To reduce costs to consumers and the economy, FSIS will make three changes to its November proposal:
 - provide an exemption for small businesses, as FDA has, so that the regulation does not make meat and poultry labels too expensive for hundreds of food producing firms;
 - extend the implementation period for another year to give firms needed flexibility to comply with the new regulations, reducing their costs by an estimated \$210 million; and
 - allow the use of databases for nutrient labelling information when appropriate, thereby reducing expected implementation costs by about \$650 million.
 - o Prior Label Approval. Currently, labels on meat and poultry products must be approved by FSIS prior to being used. FSIS receives 170,000 applications for prior approval each year. FSIS will publish a request for public comments on options for reforming or eliminating the prior label approval process. This will not only reduce costs, but will also allow new products to reach consumers more quickly. Nutrition labels will continue to meet same high level of accuracy as under the current system.
 - o Official Commercial Inspection Service. Grain inspection by the Federal Grain Inspection Service (FGIS) is voluntary for domestic markets, but is not always convenient or cost-

effective. FGIS will create a new Official Commercial Inspection Service which will use FGIS authorized inspectors and equipment to provide domestic inspection services in a more flexible manner and at a reduced cost to the applicants.

2. Enhancing Service to the Public. Good programs and regulations serve the needs of the public rather than bureaucratic needs. USDA is accelerating two program reforms that will enhance its ability to serve the public.

- o Electronic Benefits Transfer. USDA's Food and Nutrition Service (FNS) is testing the use of on-line electronic systems to distribute food stamp benefits through the use of special "debit cards." The new system will be more secure and easier for retail grocers and food stamp recipients to use.
- o Employment and Training. To improve interagency cooperation, the FNS will conduct demonstration projects to increase the coordination between its Food Stamp Employment and Training program and the JOBS program administered by the Department of Health and Human Services. This coordination will be designed to more efficiently and effectively assist food stamp recipients in becoming self-reliant.
- o WIC Breastfeeding Program. To remove any government disincentives to breastfeeding, the FNS will propose a new program that allows women who breastfeed their infants the option of receiving additional dietary supplements instead of infant formula. The new package would augment the foods now provided to breastfeeding mothers in order to meet their unique nutritional needs.
- o Guaranteed Rural Housing Loans to Moderate Income People. Although FmHA provides loan guarantees to persons with low or moderate income for rural housing, the loan guarantees have not been attractive to lenders and the secondary loan market because they contain unique conditions. FmHA will seek to make its loan conditions more like those used in the mortgage loan industry to better meet the needs of borrowers, lenders, and the secondary loan market.
- o FmHA Single Family Housing Program. The Farmers Home Administration (FmHA) currently specifies very detailed requirements for homes on which it makes direct loans to low and very low income families. FmHA is initiating a rulemaking proceeding to relax the detailed design specifications to enable potential homeowners to choose housing designs which best fit their needs.
- o Farmer Loan Eligibility Requirements. To obtain credit under FmHA farm credit programs, farmers must demonstrate

that their expected income is sufficient to cover expected loan payments. Because expected income is calculated on the basis of a five-year average, farmers who suffer crop losses because of natural disasters now have difficulty obtaining loans because the disaster years depress their average income. To avoid this problem, FmHA will allow farmers to exclude up to two years when calculating their five-year average for loan eligibility.

- o Holding Time for Foreclosed Farms. FmHA holds in inventory more than 3,000 foreclosed farm properties. Current regulations require FmHA to hold the farms at least three years before they can be sold to the general public. FmHA will change the regulation to allow the public sale of foreclosed property after one year, returning the idle land to productive use and generating \$89 million in annual gross farm income.
- o Assistance to Beginning Farmers. FmHA will also create a program designed to assist beginning farmers and ranchers in obtaining suitable farm land held in FmHA inventory.

(Duggan/Simon)
March 20, 1992
Draft Four
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY CAPITOL HILL
TUESDAY, MARCH 24, 1992
11:00 a.m.

[Acknowledgments]

((It's a pleasure to be with so many of the people who bring broccoli to the grocery shelves of America.))

((When I was at a grocers' convention in Florida recently, the press wondered why I was so impressed with a new check-out scanner I was shown. I'll tell you why. It was so sophisticated, when I ran my hand across it, it predicted the number of electoral votes I'd get in November.))

((Seriously, though, those new scanners can actually read the signature on a check. Something tells me you'll soon be seeing them in every store on Capitol Hill.))

I'm here today to ask you to do something for our country. This year's national elections are historic -- they are the first since the end of the Cold War. We've changed the world -- we've won a great victory for world peace and freedom. We'll stay engaged with the world, but now it's a top priority that we set some things right here at home.

Let's begin with the United States Congress. \\ This year, let's show that the people are sovereign. Let's not just complain about Congress -- let's transform it. \\ Let's replace the liberal ruling class with common-sense people who share our values. \\

The Old Guard that rules Congress has fallen out of touch and out of control. Congress is the number one obstacle to moving this country forward. And it's time to change its leadership. \\

Think of how the Democratic majority in Congress responded when I asked them to do what's right for our economy:

They turned their back on first-time homebuyers by failing to enact a \$5,000 tax credit.

They rejected the investment tax allowance and other reforms that could help businesses modernize with new equipment. They turned down my plan to allow \$10 billion more in cash flow for companies that create many of the jobs in this country.

They voted to keep our capital gains tax among the highest in the developed world. For purely partisan reasons, they refused to pass my proposal to cut those steep taxes on investment and job creation.

My State of the Union proposals offered those and other incentives for growth without raising taxes -- and without increasing the federal deficit. And I gave Congress fair warning: If it sent me a bill raising taxes, I'd send it back with my veto. And that's exactly what I did last Friday. \\

I asked for action to stimulate this economy -- not stifle it. \\ I members of Congress to asked them to break their tax-and-spend habits -- but they couldn't do it. \\ I asked for a jobs bill -- and they passed a bill to increase income taxes by 90 billion dollars. \\

They broke their trust with the American people -- and I kept my promise: I vetoed their tax increase. \\

The Democrats' attempts to explain their actions prove how far removed they are from the real people who make this country work. Here are the exact words of the House Democrat who sponsored the tax increase: "The richest 1 percent of all Americans will pay more. We will have returned to the time-honored tradition of taxing people on their ability to pay."

They want us to think no one really would suffer from such a massive tax increase. They want us to think all their targets are so "rich" they would never feel the pinch.

Anyone who believes that is dangerously out of touch. \\ You and I have business experience: We know what the tax increase would really do. About two-thirds of the taxpayers who would be subject to the higher rates are owners of small businesses. More than a million small businesses would be affected -- many of them crippled -- by the Democrats' tax increase. Thousands of family-run grocery and convenience stores are in this category. Small family farms also could face financial ruin from such a tax hike.

The bill I've just vetoed tried to raise the marginal rate for small family businesses and farms by a full 25 percent.

Just think about the impact of this on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. You operate on the thinnest of profit margins -- for wholesalers it's often less than a penny on the dollar.

If you had to face a 25 percent increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service -- that costs money, after all. You'd feel competitive pressure to hold out as long as possible before passing costs along to your customers -- so you would be pressed to eliminate jobs. Eventually everyone in the business would have to pass the costs along -- and that would fuel inflation. The tax-hungry Democrats' triple play would give us poorer service, fewer jobs, and more inflation.

Those are the simple facts of life for people trying to make a living in business. But the arrogant politicians who call the shots in Congress just don't get it. And this President has run out of patience.

Last Friday I sent Congress my first line-item recissions. This action will hold Congress to account as I seek to cut \$4 billion in wasteful spending. And it will bring us a step closer to the power that 43 governors have -- the line-item veto. \\
\\

I'm also fighting for economic growth through actions that don't need to be passed by this Congress. That's in the area of regulation. Day by day and rule by rule, we're winning battles for common sense against over-regulation. [Add details of particular interest to grocers and convenience stores.]

But if we're to hone our skills and really compete in the coming years, we've got a lot more to do. I want us to keep our sights on the next American Century.

First, we must work to expand our markets. I want to open

up markets in Mexico, throughout Latin America, and around the world. \\

Second, we must create a new generation of world-class quality schools -- energized by competition and freedom for parents to choose what schools are best for their kids. \\

Third, we need to make our excellent health care more affordable and more available to Americans -- and the answer lies in markets, not in socialized medicine. \\

Fourth, we need to stop the epidemic of lawsuits. \\
Imagine what we could achieve if we spent as much time helping each other as we do suing each other. \\

And fifth, we must tackle each of these challenges without swelling the bureaucracy -- and without raising taxes. \\ If there is one central conviction that separates you and me from the liberals in Congress, it is this: We believe government is too big -- and it spends too much. \\

On every one of these challenges, there are two opposing camps. One is fighting for reform, the other is defending the status quo. I know I can count on you to fight with me for reform. And we'll tell the people in Congress: Help get this country moving -- or get out of the way. \\

This year must be a watershed. Our most powerful weapon to win victories for our future is the ballot box. It's time for the American people to show the Congress and the bureaucracy who is really the boss. \\

I'll wage a vigorous campaign for the vision and the values

we share. I'll work to earn the people's vote for a second term. And I'll work just as hard to transform the United States Congress. People are filled with righteous anger at the arrogance and the abuses of the Old Guard in Congress. And it's high time you and I had a Congress that shared our belief in meaning and purpose of this great country. \\

This year we can change Congress. We can elect new people to restore integrity and common sense to Capitol Hill.

In my second term I want to serve four vigorous years. I want to move this country forward -- with members of Congress who truly represent the American people's values and aspirations. And we must fix a congressional system that has fallen out of control. We need to apply to members of Congress all the laws they impose on everyone else. \\ We need to reform the campaign funding system that gives unfair advantages to incumbents in Congress: That means eliminate the special interest political action committees -- the PACs. \\ And we must heed the rising public clamor for change. If term limits are right for the presidency, it's time for term limits for Congress. \\ \\

Again and again, I've tried to send the message to this Congress to get back in touch with the people. But the liberal majority will not listen.

There are hundreds of you here -- hometown business leaders who are the backbone of your communities. When you speak, your representatives listen -- or at least they go through the motions of listening. Some of you live in states or districts

represented by incorrigibly anti-business liberals.

Just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I'm asking you to send the anti-business liberals a message.

Just tell them one word: Goodbye. Tell them they've had their last chance -- and now they're serving their last days in Congress.

This will be my final campaign -- and I planning to fight as never before. I never dreamed I'd have the privilege of being your President at the great turning point when freedom prevailed over imperial Communism. But I won't rest until I help this country win another legacy. I will fight to elect a Congress that's worthy of the good people of this country.

You can help me. You can help elect a new Congress to work with us -- not against us. You can help lead this country to new heights of freedom and prosperity.

Thank you, and God bless the United States of America.

#

(Duggan/Simon)
March 20, 1992
Draft Three
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY CAPITOL HILL
TUESDAY, MARCH 24, 1992
11:00 a.m.

[Acknowledgments]

((It's a pleasure to be with so many of the people who bring broccoli to the grocery shelves of America.))

((When I was at a grocers' convention in Florida recently, the press wondered why I was so impressed with a new check-out scanner I was shown. I'll tell you why. It was so sophisticated, when I ran my hand across it, it predicted the number of electoral votes I'd get in November.))

((Seriously, though, those new scanners can actually read the signature on a check. Something tells me you'll soon be seeing them in every store on Capitol Hill.))

I'm here today to ask you to do something for our country. This year's national elections are historic -- they are the first since the end of the Cold War. We've changed the world -- we've won a great victory for world peace and freedom. We'll stay engaged with the world, but now it's a top priority that we set some things right here at home.

Let's begin with the United States Congress. \\ This year, let's show that the people are sovereign. Let's not just complain about Congress -- let's transform it. \\ Let's replace the liberal ruling class with common-sense people who share our values. \\

The Old Guard that rules Congress has fallen out of touch and out of control. Liberal rule in Congress is the number one obstacle to moving this country forward. \\

Think of how the liberal majority in Congress responded when I asked them to do what's right for our economy:

They spurned my plan to give first-time homebuyers a \$5,000 tax credit. They opposed my other proposals help real estate lead us to a strong recovery.

They rejected my investment tax allowance and other reforms I proposed to help businesses modernize with new equipment. They turned down my plan to allow \$10 billion more in cash flow for companies that create many of the jobs in this country.

They voted to keep our capital gains tax among the highest in the developed world. For purely partisan reasons, they refused to pass my proposal to cut those steep taxes on investment and job creation.

My State of the Union proposals offered those and other incentives for growth without raising taxes -- and without increasing the federal deficit. And I gave Congress fair warning: If it sent me a bill raising taxes, I'd send it back with my veto. \\

But the Old Guard in Congress gave a performance worthy of an old riverboat melodrama. They proclaimed their affection for people they call "the forgotten middle class" -- and they spilled enough crocodile tears to float a small navy. \\

I asked for action to nourish this economy -- and the

Democrats gave us moonshine. \\ I asked them to break their tax-and-spend habits -- but they had to scratch their itch for higher taxes. \\ I asked for a jobs bill -- and they passed a bill to increase income taxes by 90 billion dollars. \\

They broke their trust with the American people -- and I kept my promise: I vetoed their tax increase. \\

The Democrats' attempts to explain their actions prove how far removed they are from the real people who make this country work. Here are the exact words of the House Democrat who sponsored the tax increase: "The richest 1 percent of all Americans will pay more. We will have returned to the time-honored tradition of taxing people on their ability to pay."

They want us to think no one really would suffer from such a massive tax increase. They want us to think all their targets are so "rich" they would never feel the pinch.

Anyone who believes that is dangerously out of touch. \\ You and I have business experience: We know what the tax increase would really do. About two-thirds of the taxpayers who would be subject to the higher rates are owners of small businesses. More than a million small businesses would be affected -- many of them crippled -- by the Democrats' tax increase. Thousands of family-run grocery and convenience stores are in this category. Small family farms also could face financial ruin from such a tax hike.

The bill I've just vetoed tried to raise the marginal rate for small family businesses and farms by a full 25 percent.

Just think about the impact of this on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. You operate on the thinnest of profit margins -- for wholesalers it's often less than a penny on the dollar.

If you had to face a 25 percent increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service -- that costs money, after all. You'd feel competitive pressure to hold out as long as possible before passing costs along to your customers -- so you would be pressed to eliminate jobs. Eventually everyone in the business would have to pass the costs along -- and that would fuel inflation. The tax-hungry Democrats' triple play would give us poorer service, fewer jobs, and more inflation.

Those are the simple facts of life for people trying to make a living in business. But the arrogant politicians who call the shots in Congress just don't get it. And this President has run out of patience.

Last Friday I sent Congress my first line-item recissions. This action will hold Congress to account as I seek to cut \$4 billion in wasteful spending. And it will bring us a step closer to the power that 43 governors have -- the line-item veto. \\
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I'm also fighting for economic growth through actions that don't need to be passed by this Congress. That's in the area of regulation. Day by day and rule by rule, we're winning battles for common sense against over-regulation. [Add details of particular interest to grocers and convenience stores.]

And I want us to keep our sights on the next American Century. We must work to expand our markets. I want to open up markets in Mexico, and Canada, and around the world. \\ We must create a new generation of world-class quality schools -- energized by competition and freedom for parents to choose what schools are best for their kids. \\ We need to make our excellent health care more affordable and more available to Americans -- and the answer lies in markets, not in socialized medicine. \\

We need to stop the epidemic of lawsuits. \\ Imagine what we could achieve if we spent as much time helping each other as we do suing each other. \\ And we must tackle each of these challenges without swelling the bureaucracy -- and without raising taxes. \\ If there is one central conviction that separates you and me from the liberals in Congress, it is this: We believe government is too big -- and it spends too much. \\ \\

On every one of these challenges, there are two opposing camps. One is fighting for reform, the other is defending the status quo. I know I can count on you to fight with me for reform. And we'll tell the people in Congress: Help get this country moving -- or get out of the way. \\

This year must be a watershed. Our most powerful weapon to win victories for our future is the ballot box. It's time for the American people to show the Congress and the bureaucracy who is really the boss.

I'll wage a vigorous campaign for the vision and the values

we share. I'll work to earn the people's vote for a second term. And I'll work just as hard to transform the United States Congress. People are filled with righteous anger at the arrogance and the abuses of the Old Guard in Congress. And it's high time you and I had a Congress that shared our belief in meaning and purpose of this great country. \\

This year we can change Congress. We can elect new people to restore integrity and common sense to Capitol Hill.

In my second term I want to serve four vigorous years. I want to move this country forward -- with members of Congress who truly represent the American people's values and aspirations. And we must fix a congressional system that has fallen out of control. We need to apply to members of Congress all the laws they impose on everyone else. \\ We need to reform the campaign funding system that gives unfair advantages to incumbents in Congress: That means eliminate the special interest political action committees -- the PACs. \\ And we must heed the rising public clamor for accountability -- we must put term limits on senators and congressmen. \\ If term limits are right for the presidency, they'll be good for the accountability of the Congress. \\

Again and again, I've tried to send the message to this Congress to get back in touch with the people. But the liberal majority will not listen.

There are hundreds of you here -- hometown business leaders who are the backbone of your communities. When you speak, your

representatives listen -- or at least they go through the motions of listening. Some of you live in states or districts represented by incorrigibly anti-business liberals.

Just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I'm asking you to send the anti-business liberals a message.

Just tell them one word: Goodbye. Tell them they've had their last chance -- and now they're serving their last days in Congress.

This will be my final campaign -- and I planning to fight as never before. I never dreamed I'd have the privilege of being your President at the great turning point when freedom prevailed over imperial Communism. But I won't rest until I help this country win another legacy. I will fight to elect a Congress that's worthy of the good people of this country.

You can help me. You can help elect a new Congress to work with us -- not against us. You can help lead this country to new heights of freedom and prosperity.

Thank you, and God bless the United States of America.

#

(Duggan/Simon)
March 25, 1992
Draft Two
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY *ON CAPITOL HILL*
TUESDAY, MARCH 24, 1992
~~[time]~~ *11:00 A.M.*

Thank you, Boyd [George, chair of NAWGA] [Other
acknowledgments]

((It's a pleasure to be with so many of the people who bring
broccoli to the grocery shelves of America.))

((When I was at a grocers' convention in Florida recently,
the press wondered why I was so impressed with a new check-out
scanner I was shown. I'll tell you why. It was so
sophisticated, when I ran my hand across it, it predicted the
number of electoral votes I'd get in November.))

((~~Seriously, though, the scanner that fascinated me so was
one that actually reads signatures -- it helps protect retailers
against people who write bad checks. I'm not kidding. Here on
Capitol Hill, there should be a land-office business for devices
like that.~~) *those new*
can
The
on a check.
Something tells me you'll be seeing them soon in every
grocery store on Capitol Hill.

In my State of the Union Address, I asked Congress to pass a
common-sense package to get our economy moving. I asked them to
meet an ~~8-week~~ *52 day* deadline. That was a reasonable time-frame for
putting aside partisan politics ~~before we get too close to the~~ *and do something right for the*
~~national election.~~ *American people.*

My plan would give first-time homebuyers a \$5,000 tax
credit. My plan would eliminate needless drags on the real
estate economy: For instance, it would restore full

deductibility of losses for real estate developers. These real estate proposals are sensible and fair -- and they're based on an understanding of how our economy works. For the fact is, every time in recent memory that we've rallied ourselves out of a recession, the real estate business has led the way. Economists say my tax credit and IRA proposals alone would create 700,000 new jobs this year alone for carpenters, plumbers, landscapers, and others.

I proposed a new investment tax allowance to lower the cost of capital for businesses purchasing new equipment. I asked for changes in the alternative minimum tax so that we no longer penalize capital intensive companies. That's technical language, but you and I and anyone else who's experienced in the real world of business know what it means: It means allowing more cash flow -- \$10 billion more cash this year -- for businesses that create many of the jobs in this country. It means spurring capital intensive industries like our airlines, our car manufacturers, our chemical companies -- to modernize and meet the challenge of world competition.

I asked Congress to cut the high tax on job creation and investment -- the capital gains tax. This is the way to unlock old investment and get funds flowing into new and existing small businesses -- where so many of the new jobs are being created.

My package offered these and other incentives for growth without raising taxes -- and without increasing the federal deficit. And I gave Congress ~~fair~~ warning: If it sent me a bill
a promise

raising taxes, I'd ³ ~~send it back with my veto.~~ *veto it, and that was a promise they could take to the bank.*

I guess they misunderstood. One congressman tried to cash my promise at the House bank.
That was eight weeks ago. Since then, the Old Guard in the Congress have given a performance worthy of an old-time riverboat melodrama. They've proclaimed their affection for people they call "the forgotten middle class" -- and they've shed enough crocodile tears to float a small navy.

~~They've strutted their hour on the stage -- and to no one's surprise, they've produced a tax bill. Their bill provides none -- not one -- of the pro-growth incentives I've just described from my package. Their bill breaks the curbs on shifting discretionary funds among accounts -- one of the few restraints we now have on Congress's appetite for spending. Worst of all, their bill attempts to raise the American people's income taxes by \$90 billion.~~

I asked for a jobs bill -- and the Democrats passed a tax increase bill. That's an insult to American workers and taxpayers. In exchange for a permanent income tax increase of \$90 billion, they've offered a piddling temporary tax cut for people in some income brackets -- 25 cents per person per day for a family of four. They crow that they're the saviors of the "forgotten middle class" -- but the only ones who benefit from this travesty are the tired old ruling class of the Congress. This bill was designed to be a life-support system for the careers of the machine politicians who run the Democratic caucus in Congress.

I asked Congress for action to nourish this economy for

recovery and long-term growth. But the Old Guard in Congress followed the only recipe they seem to know. They've given us full-strength economic moonshine.

I've vetoed their tax increase bill. It's an outrage. It would destroy jobs and derail the recovery. Any economist will tell you the last thing this economy needs is a tax increase.

The Democrats' attempts to explain the effects of their tax increase prove how far out of touch they are from the real people who make this country work. Here are the exact words of the House Democrat who sponsored the tax increase: "The richest 1 percent of all Americans will pay more. We will have returned to the time-honored tradition of taxing people on their ability to pay." They want you to think no one really will suffer from this massive tax increase -- because the targets are presumably so "rich" they will never feel the pinch.

Anyone who believes that is dangerously out of touch. You and I have business experience. We know what the tax increase would really do. About two-thirds of the taxpayers who would be subject to the higher rates are owners of small businesses. More than a million small businesses would be affected -- many of them crippled -- by the Democrats' tax increase. Small farmers could face financial ruin if the Democrats had their way with this tax increase.

Millions of jobs now depend on small firms that are taxed at the individual rate. One of the technical terms for these is "Subchapter S Corporations." Thousands of firms in your

industries -- thousands of family-run grocery and convenience stores -- are in this category. They're sparkplugs of economic growth in towns and cities all across this country. Their payrolls support millions of working Americans whom no one would confuse with the idle rich. But in the sloppy arrogance of the Democrats' tax bill, these little firms would feel the brunt of the big tax increase on so-called "rich people."

As a rule, these firms pay taxes at the top marginal rate for individuals. And the Democrats' tax bill would raise those rates by a full 25 percent.

Just think about the impact that would have on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. You operate on the thinnest of profit margins -- for wholesalers it's often less than a penny on the dollar. If you had to face a 25 percent increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service -- that costs money, after all. You'd feel competitive pressure to hold out as long as possible before passing costs along to your customers -- so you would be pressed to eliminate jobs. Eventually everyone in the business would have to pass the costs along -- and that would fuel inflation. The tax-hungry Democrats' triple play would give us poorer service, fewer jobs, and more inflation.

Those are the simple facts of life for people trying to make a living in business. But the arrogant politicians who call the shots in Congress just don't get it.

The deadline period that just expired was the liberal leadership's last chance to show it could put partisanship aside and work in good faith to help our people. They failed -- and this President has completely run out of patience.

They can keep job-creating legislation tied up for the rest of the year, but in the longer run, we can and we will win.

I'm already fighting for economic growth through actions that don't need to be passed by this Congress. That's in the regulatory arena. With my State of the Union Address, I instituted a 90-day freeze on new and existing regulations that could effect the economy. As much as possible, we'll speed up rules that promote job creation and growth, and we'll stop rules that impede growth. We're close to the 60-day mark now, and day by day and rule by rule, we're winning battles for common sense against over-regulation. [Add details of particular interest to grocers and convenience stores.]

Most important, we will win new victories for a sound economy this year at the ballot box. It's time for the American people to take matters into their own hands. I will wage a vigorous campaign this election year for the vision and the values we share. I'll work to earn Americans' votes for a second term. And I'll work just as hard to transform the United States Congress. All across the country, people are filled with righteous anger at the arrogance and the abuses of the Old Guard in Congress. It's high time you and I had a Congress that shared our aims for where to lead this country.

This is our moment of opportunity. Because of the people's anger at scandal after scandal on Capitol Hill, maybe as many as a hundred members of Congress will decide not to face the voters again. This year we can change Congress. We can elect new people to restore integrity and common sense to Capitol Hill.

In my second term I want to serve four vigorous years, moving this country forward -- with a Congress that truly represents the American people's values and aspirations.

Again and again, I've tried to send the message to this Congress to get back in touch with the people. But the liberals who make up the majority will not listen.

There are hundreds of you here -- hometown business leaders who are the backbone of your communities. When you speak, your representatives listen -- or at least they go through the motions of listening. Some of you live in states or districts represented by incorrigibly anti-business liberals.

Just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I'm asking you to send the anti-business liberals a message. No -- it's not to ask them to reconsider their vote against my economic growth plan. They're fundamentally at odds with what you and I believe, so why should we play charades?

I'd just like you to tell them one word: Goodbye. Tell them they've had their last chance -- and now they're serving their last days in Congress.

I'm taking off the gloves. This will be my final campaign -

Good

by God I long to see you to leave this
country a Congress that is worthy

- and I will fight to make it the most productive. You can help
me. You can help elect a new Congress to work with us -- not
against us. You can help lead this country to new heights of
freedom and prosperity.

the
American
people.
Z

Thank you, and God bless the United States of America.

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(Duggan/Simon)
March 24, 1992
Draft One
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY *ON CAPITOL HILL*
TUESDAY, MARCH 24, 1992
{time} *11:00 am*

Thank you, Boyd [George, chair of NAWGA] [Other
acknowledgments]

((It's a pleasure to be with so many of the people who bring
broccoli to the grocery shelves of America.))

((When I was at a grocers' convention in Florida recently,
the press wondered why I was so impressed with a new check-out
scanner I was shown. I'll tell you why. It was so
sophisticated, when I ran my hand across it, it predicted the
number of electoral votes I'd get in November.))

((Seriously, though, ~~I am told there are~~ *Those new* ~~scanners that help~~ *can actually*
~~protect retailers against people who try to kite checks. Here on~~ *read the signature on a check. "Something tells*
~~me~~ *you'll be seeing them soon in every grocery*
~~Capitol Hill, there should be a land-office business for devices~~ *store on Capitol Hill.*
~~like that.))~~

In my State of the Union Address, I asked Congress to pass a
common-sense package to get our economy moving. I asked them to
meet an 8-week deadline. That was a reasonable time-frame for
bipartisan action before we get too close to the national
election.

My plan would give first-time homebuyers a \$5,000 tax
credit and would allow penalty-free withdrawals from IRAs for
down payments on a first home. My plan would eliminate needless
drags on the real estate economy: For instance, it would restore

full deductibility of losses for real estate developers. These real estate proposals are sensible and fair -- and they're based on an understanding of how our economy works. For the fact is, every time in recent memory that we've rallied ourselves out of a recession, the real estate business has led the way. Housing economists say my tax credit and IRA proposals alone would create 700,000 new jobs for carpenters, plumbers, landscapers, ~~architects~~ and others.

I proposed a new investment tax allowance to lower the cost of capital for businesses purchasing new equipment. I asked for changes in the alternative minimum tax so that we no longer penalize capital intensive companies. That's technical language, but you and I and anyone else who's experienced in the real world of business know what it means: It means giving American industries a fair chance to modernize -- to stay competitive. It means allowing more cash flow for businesses that create many of the jobs in this country.

I asked Congress to cut the punishingly high tax on job creation and investment -- the capital gains tax. This is the way to unlock old investment and get funds flowing into new and existing small businesses -- where so many of the new jobs are being created.

My package offered these and other incentives for growth without raising taxes -- and without increasing the federal deficit. And I warned the Congress that if it sent me a bill raising taxes, I'd send it back with my veto.

That was eight weeks ago. Since then, the Old Guard in the Congress have given a performance worthy of the old-time riverboat melodramas. They've proclaimed their affection for people they call "the forgotten middle class" -- and they've shed enough crocodile tears to float a small navy.

They've strutted their hour on the stage -- and produced a tax bill. Their bill provides none -- not one -- of the pro-growth incentives I've just described from my package. Their bill breaks the curbs on shifting discretionary funds among accounts -- one of the few restraints we now have on Congress's appetite for spending. Worst of all, their bill attempts to raise the American people's income taxes by \$100 billion.

They've dealt American workers and taxpayers an insult. In exchange for a permanent income tax increase of \$100 billion, they've offered a piddling temporary tax cut for people in some income brackets -- 25 cents per person per day for a family of four. They crow that they're the saviors of the "forgotten middle class" -- but the only ones who benefit from this travesty are the tired old ruling class of the Congress. This bill was designed to be a life-support system for the careers of the Old Guard machine politicians who run the Democratic caucus in the Congress.

I asked Congress for action to nourish this economy for recovery and long-term growth. But the Old Guard in Congress followed the only recipe they seem to know. Once again, they've given us full-strength economic moonshine.

I've vetoed their tax increase bill. It's an outrage. It would destroy jobs and derail the recovery. Any economist will tell you the last thing this economy needs is a huge tax increase.

The Democrats' attempts to explain the effects of their tax increase prove how far out of touch they are from the real people who make this country work. Here are the exact words of the House Democrat who sponsored the tax increase: "The richest 1 percent of all American will pay more. We will have returned to the time-honored tradition of taxing people on their ability to pay." They want you to think no one really will suffer from this massive tax increase -- because the targets are presumably so "rich" they will never feel the pinch.

Anyone who believes that is dangerously out of touch. You and I have business experience. We know how the tax increase would really work. First of all, many, many American businesses would be crippled by this tax. Tens of millions of jobs now depend on small firms that are taxed at the individual rate. One of the technical terms for these is "Subchapter S Corporations." Thousands of firms in your industries -- the grocery and convenience-store businesses -- are in this category. As a rule, these firms pay taxes at the top marginal rate for individuals.

Now, the Democrats' tax bill would increase top rates on their target taxpayers from 28 percent to 35 percent. Again, proof of the Democrats' sloppy understanding of our economy is that many of their so-called "rich people" are actually small

businesses whose payrolls support millions of people whom no one would call wealthy.

(Duggan/Simon)
March 24, 1992
Draft One
Assembly

PRESIDENTIAL REMARKS: GROCERS' PUBLIC AFFAIRS ASSEMBLY
HYATT REGENCY
TUESDAY, MARCH 24, 1992
[time]

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one that actually reads signatures -- it helps protect retailers
against people who write bad checks. I'm not kidding. Here on
Capitol Hill, there should be a land-office business for devices
like that.))

In my State of the Union Address, I asked Congress to pass a
common-sense package to get our economy moving. I asked them to
meet an 8-week deadline. That was a reasonable time-frame for
putting aside partisan politics before we get too close to the
national election.

My plan would give first-time homebuyers a \$5,000 tax
credit and would allow penalty-free withdrawals from IRAs for
down payments on a first home. My plan would eliminate needless

drags on the real estate economy: For instance, it would restore full deductibility of losses for real estate developers. These real estate proposals are sensible and fair -- and they're based on an understanding of how our economy works. For the fact is, every time in recent memory that we've rallied ourselves out of a recession, the real estate business has led the way. Economists say my tax credit and IRA proposals alone would create 700,000 new jobs for carpenters, plumbers, landscapers, and others.

I proposed a new investment tax allowance to lower the cost of capital for businesses purchasing new equipment. I asked for changes in the alternative minimum tax so that we no longer penalize capital intensive companies. That's technical language, but you and I and anyone else who's experienced in the real world of business know what it means: It means giving American industries a fair chance to modernize -- to stay competitive. It means allowing more cash flow for businesses that create many of the jobs in this country.

I asked Congress to cut the high tax on job creation and investment -- the capital gains tax. This is the way to unlock old investment and get funds flowing into new and existing small businesses -- where so many of the new jobs are being created.

My package offered these and other incentives for growth without raising taxes -- and without increasing the federal deficit. And I warned the Congress that if it sent me a bill raising taxes, I'd send it back with my veto.

That was eight weeks ago. Since then, the Old Guard in the Congress have given a performance worthy of an old-time riverboat melodrama. They've proclaimed their affection for people they call "the forgotten middle class" -- and they've shed enough crocodile tears to float a small navy.

They've strutted their hour on the stage -- and produced a tax bill. Their bill provides none -- not one -- of the pro-growth incentives I've just described from my package. Their bill breaks the curbs on shifting discretionary funds among accounts -- one of the few restraints we now have on Congress's appetite for spending. Worst of all, their bill attempts to raise the American people's income taxes by \$100 billion.

They've dealt American workers and taxpayers an insult. In exchange for a permanent income tax increase of \$100 billion, they've offered a piddling temporary tax cut for people in some income brackets -- 25 cents per person per day for a family of four. They crow that they're the saviors of the "forgotten middle class" -- but the only ones who benefit from this travesty are the tired old ruling class of the Congress. This bill was designed to be a life-support system for the careers of the machine politicians who run the Democratic caucus in Congress.

I asked Congress for action to nourish this economy for recovery and long-term growth. But the Old Guard in Congress followed the only recipe they seem to know. They've given us full-strength economic moonshine.

I've vetoed their tax increase bill. It's an outrage. It would destroy jobs and derail the recovery. Any economist will tell you the last thing this economy needs is a tax increase.

The Democrats' attempts to explain the effects of their tax increase prove how far out of touch they are from the real people who make this country work. Here are the exact words of the House Democrat who sponsored the tax increase: "The richest 1 percent of all Americans will pay more. We will have returned to the time-honored tradition of taxing people on their ability to pay." They want you to think no one really will suffer from this massive tax increase -- because the targets are presumably so "rich" they will never feel the pinch.

Anyone who believes that is dangerously out of touch. You and I have business experience. We know what the tax increase would really do. Thousands of American businesses would be crippled by this tax. Millions of jobs now depend on small firms that are taxed at the individual rate. One of the technical terms for these is "Subchapter S Corporations." Thousands of firms in your industries -- the grocery and convenience-store businesses -- are in this category. They're sparkplugs of economic growth in towns and cities all across this country. Their payrolls support millions of working Americans whom no one would confuse with the idle rich. But in the sloppy arrogance of the Democrats' tax bill, these little firms would feel the brunt of the big tax increase on so-called "rich people."

As a rule, these firms pay taxes at the top marginal rate for individuals. And the Democrats' tax bill would raise those rates by 25 percent -- that is, from 28 to 35 cents on the dollar.

Just think about the impact that would have on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. You operate on the thinnest of profit margins. If you had to face a 25 percent increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service -- that costs money, after all. You'd feel competitive pressure to hold out as long as possible before passing costs along to your customers -- so you would be pressed to eliminate jobs. Eventually everyone in the business would have to pass the costs along, and that would fuel inflation.

Those are the simple facts of life when you're in business. But the arrogant politicians who call the shots in Congress just don't get it.

The deadline period that just expired was the liberal leadership's last chance to show it could put partisanship aside and work in good faith to help our people. They failed -- and this President has completely run out of patience.

They can keep job-creating legislation tied up for the rest of the year, but in the longer run, we can and we will win.

I'm already fighting for economic growth through actions that don't need to be passed by this Congress. That's the

regulatory arena. With my State of the Union Address, I instituted a 90-day freeze on new and existing regulations that could effect the economy. As much as possible, we'll speed up rules that promote job creation and growth, and we'll stop rules that impede growth. Day by day and rule by rule, we're winning battles for common sense against over-regulation. [Add details of particular interest to grocers and convenience stores.]

Most important, we will win new victories for a sound economy this year at the ballot box. It's time for the American people to take matters into their own hands. I will wage a vigorous campaign this election year for the vision and the values we share. I'll work to earn Americans' votes for a second term. And I'll work just as hard to transform the United States Congress. It's high time you and I had a Congress that shared our aims for where to lead this country. All across the country, people are filled with righteous anger at the arrogance and the abuses of the Old Guard in Congress.

This is our moment of opportunity. Because of redistricting, and because of the people's anger at scandal after scandal on Capitol Hill, maybe as many as a hundred members of Congress will decide not to face the voters again. This year we can change Congress. We can elect new people to restore integrity and common sense to Capitol Hill.

In my second term I want to serve four vigorous years, moving this country forward -- with a Congress that truly represents the American people's values and aspirations.

Again and again, I've tried to send the message to this Congress to get back in touch with the people. But the liberals who make up the majority will not listen.

There are hundreds of you here -- hometown business leaders who are the backbone of your communities. When you speak, your representatives listen -- or at least they go through the motions of listening. Some of you live in states or districts represented by incorrigibly anti-business liberals.

Just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I'm asking you to send the anti-business liberals a message. No -- it's not to ask them to reconsider their vote against my economic growth plan. They're fundamentally at odds with what you and I believe, so why should we play charades?

I'd just like you to tell them one word: Goodbye. Tell them they've had their last chance -- and now they're serving their last days in Congress.

I'm taking off the gloves. This will be my final campaign -- and I will fight to make it the most productive. You can help me. You can help elect a new Congress to work with us -- not against us. You can help lead this country to new heights of freedom and prosperity.

Thank you, and God bless the United States of America.

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SUMMIT TO OMAK KINETIC EUPHORIA RELAY (STOKER). Mar 22. Summit, WA. To promote fitness through muscle-powered sport. Fundraiser for Nordic ski trail system in Okanogan County. Five events as team or solo: Alpine Ski, 1.5 miles; Nordic Ski, 14 miles; Run, 6.2 miles; Bicycle, 20 miles; Canoe/Kayak, 10 miles. Annually, the first Sunday in Spring. Info from: Susan Peter/Wendy Schmidt, PO Box 50, Okanogan, WA 98840. Phone: (509) 422-4294.

TAIWAN: BIRTHDAY OF KUAN YIN, GODDESS OF MERCY. Mar 22. Nineteenth day of Second Moon of the lunar calendar, celebrated at Taipei's Lungshan (Dragon Mountain) and other temples.

BIRTHDAYS TODAY

- George Benson**, 49, singer, guitarist, born at Pittsburgh, PA, Mar 22, 1943.
- Bob Costas (Robert Quinlan)**, 40, sportscaster, TV host, born at Queens, NY, Mar 22, 1952.
- Orrin Grant Hatch**, 58, US Senator (R, Utah), born at Pittsburgh, PA, Mar 22, 1934.
- Werner Klemperer**, 72, actor, born at Cologne, Germany, Mar 22, 1920.
- Andrew Lloyd Webber**, 44, composer, born at London, England, Mar 22, 1948.
- Karl Malden (Mladen Sekulovich)**, 78, actor, born at Gary, IN, Mar 22, 1914.
- Marcel Marceau**, 69, actor, pantomimist, born at Strasbourg, France, Mar 22, 1923.
- Pat (Marion Gordon) Robertson**, 62, TV evangelist, born at Lexington, VA, Mar 22, 1930.
- William Shatner**, 61, actor, born at Montreal, Quebec, Canada, Mar 22, 1931.
- Stephen Sondheim**, 62, composer, born at New York, NY, Mar 22, 1930.
- Bill Wendell**, 68, announcer, host, born at New York, NY, Mar 22, 1924.

MARCH 23 — MONDAY

83rd Day — Remaining, 283

BATTLE OF KERNSTOWN: ANNIVERSARY. Mar 23. As General George McClellan began the Peninsular campaign to move on the Confederate capital of Richmond, VA, Confederate General Stonewall Jackson engaged a larger force of Union troops at Kernstown in the northern Shenandoah Valley of Virginia on Mar 23, 1862. Although he ultimately was forced to retreat, the Battle of Kernstown provided a diversion central to the South's military strategy. Fearing an attack on Washington, DC, Northern troops were kept around Washington as part of its defense, leaving fewer troops available for the Peninsular campaign.

COLFAX, SCHUYLER: BIRTH ANNIVERSARY. Mar 23. Seventeenth vice president of the US (1869-1873). Born Mar 23, 1823, at New York, NY. Died Jan 13, 1885, at Mankato, MN.

LIBERTY DAY. Mar 23. Anniversary of Patrick Henry's speech for arming the Virginia militia—at St. Johns Church, Richmond, VA, on Mar 23, 1775. "I know not what course others may take, but as for me, give me liberty or give me death."

NEAR MISS DAY. Mar 23. Recalls the day in 1989 when a mountain-sized asteroid passed within 500,000 miles of Earth, a very close call according to NASA. Impact would have equalled strength of 40,000 hydrogen bombs, created a crater the size of

the District of Columbia and devastated everything for 100 miles in all directions. Info from: Sunny 105, 2743 Perimeter Pkwy, Augusta, GA 30909. Phone: (404) 855-4000.

NEW ZEALAND: OTAGO AND SOUTHLAND PROVINCIAL ANNIVERSARY. Mar 23. In addition to the statutory public holidays of New Zealand, there is in each provincial district a holiday for the provincial anniversary. This is observed in Otago and Southland on Mar 23.

PAKISTAN: REPUBLIC DAY. Mar 23. National holiday. On this day in 1940 the All-India-Muslim league adopted resolution calling for a Muslim homeland. On the same day in 1956 Pakistan declared itself a republic.

RALLY FOR DECENCY: ANNIVERSARY. Mar 23. Anita Bryant, Jackie Gleason and Kate Smith rallied with 30,000 others in Miami on this day in 1969 in reaction to Jim Morrison's arrest for indecent exposure.

UNITED NATIONS: WORLD METEOROLOGICAL DAY. Mar 23. An international day observed by meteorological services throughout the world and by the organizations of the UN system. "Natural Disaster Reduction: How Meteorological and Hydrological Services can help." Info from: United Nations, Dept of Public Info, New York, NY 10017.

BIRTHDAYS TODAY

- Roger Bannister**, 63, former track athlete, physician, born at Harrow, England, Mar 23, 1929.
- Teresa Ganzel**, 35, actress, born at Toledo, OH, Mar 23, 1957.
- Chaka Khan (Yvette Marie Stevens)**, 39, singer, born at Chicago, IL, Mar 23, 1953.
- Akiro Kurosawa**, 82, director, born at Tokyo, Japan, Mar 23, 1910.
- Moses Malone**, 38, former basketball player, born at Petersburg, VA, Mar 23, 1954.

MARCH 24 — TUESDAY

84th Day — Remaining, 282

EXXON VALDEZ OIL SPILL. Mar 24. On Mar 24, 1989, the tanker *Exxon Valdez* ran aground in Prince William Sound. The resultant oil spill leaked 11 million gallons of oil into one of nature's richest habitats.

HOLLAND: TULIP SHOW. Mar 24-May 24. Vogelenzang. Gardens and glass houses filled with spring flowers. Info from: Netherlands Board of Tourism, 355 Lexington Ave, 21st Fl, New York, NY 10017. Phone: (212) 370-7367.

HOUDINI, HARRY: BIRTH ANNIVERSARY. Mar 24. Magician and escape artist. Born at Budapest, Hungary, on Mar 24, 1874. Died at Detroit, MI, on Oct 31, 1926. Lecturer, athlete, author, expert on history of magic, exposé of fraudulent mediums and motion picture actor. Was best known for his ability to escape from locked restraints (handcuffs, straitjackets, coffins, boxes and milk cans). Anniversary of his death (Halloween) has been occasion for meetings of magicians and attempts at communication by mediums.

MACY'S ANNUAL FLOWER SHOW. Mar 24-Apr 6. New York, NY. Info from: Liz Holland, Macy's Annual Flower Show, 151 W 34th St, New York, NY 10001. Phone: (212) 560-4060.

MELLON, ANDREW W.: BIRTH ANNIVERSARY. Mar 24. American financier, industrialist, government official (Secretary of the Treasury), art and book collector, born Mar 24, 1855. Died Aug 27, 1937.

MORRIS, WILLIAM: BIRTH ANNIVERSARY. Mar 24. English poet and artist. Born Mar 24, 1834. Died at Hammersmith, London, England, Oct 3, 1896.

NATIONAL ORGANIZE YOUR HOME-OFFICE DAY. Mar 24. To set aside one day each year for the home-office professional to organize his or her office. Annually, the fourth Tuesday in March. Info from: Lisa Kanarek, Organizational Consul-

**March
1992**

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 24, 1992

REMARKS BY THE PRESIDENT
TO THE PUBLIC AFFAIRS ASSEMBLY OF THE
THE NATIONAL-AMERICAN WHOLESALE GROCERS ASSOCIATION

Hyatt Regency Hotel
Washington, DC

205
6913

11:04 A.M. EST

THE PRESIDENT: Boyd, thank you very much for the good news -- (laughter) -- and for the introduction. (Laughter.) And let me just say I am very pleased to be here. And I want to salute your leaders. First, Boyd, who did the honors here; Bill Eacho, who's with me; Richard Niemann; and T.C. Goodwin. And also, before I get going here, I want to single out a former Cabinet member, agricultural Secretary Jack Block, who's doing an outstanding job for the common interest so well represented here today.

And I am here to follow up on what I said Friday, but mainly to ask you to help me change this country, to make it stronger and make it better. And as Boyd so generously said, we have changed the world. We've won a great victory for world peace and freedom. And as President, believe me, I will stay fully engaged with the world. We have won the Cold War. And I salute previous Presidents for their role in keeping our defenses strong; my predecessor, Ronald Reagan, for his foresight in doing what he could to bring about the collapse of international communism.

But now is no time to pull back from engagement in international affairs. So now let's put to work the same leadership that we used to change the world to change America. And let me tell you what that means: We'll leave a legacy of productive jobs for our citizens, with strong families -- secure in a more peaceful world.

And I have a strategy to renew America and to keep our country strong in the next century. I have proposed a plan to stimulate the economy without raising taxes and without increasing the federal deficit. (Applause.) Action to strengthen real estate. Action to help young families buy that first home -- now. Get it done now. And I asked for action to create good jobs. One of those actions was to cut the tax on capital gains. It's not a break for the rich, it is a job-creation incentive. (Applause.)

But the majority in Congress simply couldn't break their tax-and-spend habits. And I asked for action to stimulate this economy -- not stifle it. And I asked for a jobs bill. And they passed a bill to increase income taxes by \$100 billion. And they turned their backs on that first-time homebuyer by failing to enact this \$5,000 tax credit. They watered down the investment tax allowance that we had, an allowance that would have sped up depreciation and encouraged people to buy new capital equipment, given them incentives to do that. They stifled other reforms to help businesses modernize and compete. And then they tinkered with the capital gains tax. But if their plan were adopted, that tax would still be among the highest in the developed world.

You people know this, but a lot of Americans don't: Japan and Germany tax capital gains at zero and at one percent. They don't even have -- in essence don't have taxes on capital gains in one country and tax it at one percent in another. And we're to

MORE

compete with all that in this highly competitive world.

And, yes, I was disappointed in the Congress. But, frankly, I was not surprised. And so last Friday, that tax bill came down and I vetoed the tax increase. And that veto is going to be sustained. (Applause.) But not just to carp, then I announced actions that I would take on my own to do what I could to get the fat out of government, to cut the red tape that chokes our competitive spirit, and to get this country up to speed for the long haul.

You and I have business experience. We know what the tax increase would really do. About 80 percent of the revenue increase resulting from the higher rates, would come from, you guessed it, small businesses. More than a million small businesses would be affected -- many of them crippled -- by that Democratic leadership tax increase. Thousands of family-run grocery and convenience stores are in this category. Small family farms also could face financial ruin from such a tax increase.

The bill I've just vetoed tried to raise the marginal rate for small family businesses and farms by about 18 percent. Now, just think about the impact of this on your own businesses. The grocery business -- wholesale and retail -- is fiercely competitive. I know you're being nice to the guy next to you here today -- (laughter) -- but when you go home, why, we'll understand if you go at each other. And why is it so competitive? You operate on the thinnest of profit margins -- for wholesalers it's often less than a penny on the dollar.

And if you had to face a big increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service. Competition would press you to hold out as long as possible before passing costs along to your customers -- so you might have to eliminate jobs. Eventually everyone in the business would have to pass the costs along -- and that would fuel inflation.

Those are simple facts of life for people trying to make a living. But even as millions of American families were huddling over their kitchen tables to work on their tax returns, the liberal Congress tried to raise their taxes by \$100 billion.

Last Friday, as I say, I vetoed their massive tax increase. And I sent Congress my first line-item rescissions -- cutting \$3.6 billion in unneeded wasteful spending. (Applause.) These rescissions will serve notice to Congress that the days of wasteful spending are over. And it is a step symbolic of the power that 43 governors have -- the line-item veto. Incidentally, at their recent National Meeting, the nation's governors, Democrat and Republican, went on record calling for line-item veto authority for the President -- and I need that authority. (Applause.)

Last Friday, as I say, I vetoed their massive tax increase. And I sent Congress my first line-item rescissions -- cutting \$3.6 billion in unneeded, wasteful spending. (Applause.) Now these rescissions will serve notice to Congress that the days of wasteful spending are over. And it is a step symbolic of the power that 43 governors have -- the line-item veto. Incidentally, at their recent national meeting, the nation's governors, Democrat and Republican, went on record calling for line-item veto authority for the President. And I need that authority. (Applause.)

I'm also fighting for economic growth through actions that don't need to be passed by the Congress. Some things I need Congress to do, other things we can do without. Take a look at government regulation. Day by day, rule by rule, and industry by industry, we are winning battles against overregulation. We're winning victories for common sense and freedom.

Just last Thursday, for example, our administration announced reforms on nutrition labeling for meat and poultry. Our reforms will keep our food supply every bit as safe --and I have responsibility for that -- but we will reduce the burden and expense of regulation on American consumers, and on our hard-working food producers and grocers. If Congress sends me any legislation that would overregulate our economy, I'm going to veto it as soon as it reaches my desk. (Applause.)

Now, if we Americans are going to hone our skills and really compete in the years ahead, we've got a lot more to do. And I want to have us keep our sights on the next American century. And when I think of America in the year 2000, I think of five strategic concerns mentioned in my address to the nation last Friday.

First, we must change and renew our schools. We must become a nation of students educating ourselves throughout our lifetimes in the best system of schools, colleges and universities in the entire world. And this is going to take revolutionary change. Most of our states and hundreds of local communities are committed to change. They have joined me already in a crusade that we call America 2000 -- an exciting program to revolutionize education.

Business as usual is not going to help us reach our national education goals. We need to get behind world-class standards, new curriculum frameworks, break-the-mold schools, voluntary national testing. And a centerpiece of our plan is the belief that schools will do their best when parents enjoy real freedom and real responsibility to choose their children's schools -- public, private and religious. (Applause.) School choice for parents is an idea whose time has come.

Second, we need to make our excellent health care system more affordable and more available to Americans. We've got the highest quality health care in the entire world -- but everyone should have access to it. And we all know the problems: Too many people don't have health insurance, and health care costs are going right through the roof. And we also know that the answer doesn't lie in costly and coercive plans like the scheme to make employers "play or pay." And the answer certainly isn't these nationalized -- these socialized medicine plans. Nationalized health care would be a national disaster. (Applause.)

The way I propose that we help our society deal with this is based on markets and choice. Just as in education, vouchers are a key part of my strategy for giving Americans a fairer and more affordable health care system. And our answer is to change our health care system for the better, not ruin it. And we're going to keep fighting for this sensible plan.

Third -- and I know you're going to agree with this one -- we need fundamental legal reform to stop the epidemic of lawsuits. (Applause.) You all know the litany. You hear it in your communities. You hear it in your businesses. Things are so out of hand that some parents refuse to coach Little League for fear of liability lawsuits. Some doctors won't deliver babies anymore because of malpractice suits. Well, just imagine what we could achieve if we spent as much time helping each other as we do suing each other. (Applause.)

And the costs of litigation and liability on small business are absolutely staggering -- horrendous. You know, in 1989 there were 18 million lawsuits filed in America. Eighteen million. And that's why I've again asked Congress to pass my civil justice reform bill which will help people resolve problems through means other than the courtroom. And it will help put a stop to frivolous lawsuits and reduce the drag on our economy caused by excessive

litigation. (Applause.) And I need your help. I need you help with the Congress to pass this sensible approach. (Applause.)

And fourth, we must reform government in line with one of America's most important founding principles: strict limits on the size and power of government. With a federal government that gobbles up a quarter of GNP, we can't really say we're as free as we should be. One quarter of all we produce as a nation -- as a people -- goes to pay for the central government. Now, that's just not right. And right now, the system is not accountable, effective, efficient, or even compassionate. And we need government that knows its limits -- but more important, we need a government that works.

We have got to fix a congressional system that's gone out of control. Congress, as an institution controlled by one party -- the Democrats -- for most of the past four decades -- desperately needs reform. And I'm going to have more to say, constructively, about reforming Congress in not so many days from now, at a later date.

But we can start by compelling Congress to be governed by the laws that they impose on people like you. (Applause.) Such as civil rights law; wage and hour laws; fair labor standards. We must totally eliminate the special interest PACs that give unfair advantage to incumbents in Congress and say yes to the people's call for term limits on Congress. (Applause.) My term is limited -- the President's term is limited -- And I believe theirs should be now if we want true reform.

Fifth, we must work to expand our markets. Of all the legacies that I want to help create as your President, few could be more important than open and fair trade opportunities for our manufacturers and our service industries -- and also for our farmers and our food industries.

Food and agriculture trade is the critical problem of world trade. The European Community spends more than 10 times -- 10 times as much as we do -- on agricultural export subsidies. This cannot and must not go on. And I made that point in a very vigorous way to a very receptive Chancellor Kohl of Germany when he visited Camp David last weekend.

His leadership will be vital if we are to break the deadlock in GATT and concluding the Uruguay Round successfully. And I know from my talks that he wants to see a successful conclusion to the Uruguay Round. So let me assure you, we'll be working as hard as possible the next few weeks to make a breakthrough in GATT. But as we see it, if there's no fair deal for agriculture, there simply cannot be a good GATT agreement. Agriculture is the key to getting this worked out. (Applause.)

And I'm also working to open up the exciting market opportunities in Mexico. With nearly 100 million people next door, Mexico is already one of our best customers. And they'll buy a lot more American goods as soon as these negotiations are concluded. It is one of our fastest growing markets anywhere in the world. And the bottom line is: A good agreement with Mexico means more U.S. jobs. (Applause.)

Last year, our exports around the world reached record levels, so the more trade barriers we can knock down the better. On a level playing field, I am absolutely convinced that Americans can outproduce, outperform anyone, anytime, anywhere. I have that kind of confidence in the American worker. (Applause.)

On each of these challenges, there are two roads to take: One is reform, the other protects the status quo. You and I are gathered on Capitol Hill today because we share a common purpose.

We're here in the neighborhood of a Congress that fails to heed calls for reform, that so far has failed to pass a simple but effective plan to help create jobs and build confidence. We're not simply going to complain about the Congress, we're going to try to change it.

And there are hundreds of you here -- hometown business leaders -- who are the backbone of your community. And just after this speech, I understand that all of you are headed up the Hill to visit your senators and representatives. I hope you'll pass along my warmest thanks to those who have stood with us and urge all members of Congress to support our long-term economic growth package.

The five points I mentioned here today -- it is just that important. This will be, for me, my final campaign. And I plan to fight as never before. I have had the privilege of being your President at the great turning point when freedom prevailed over imperial communism; when the Berlin Wall came down; when Iraq's aggression was defeated; ancient enemies talking peace in the Middle East; when democracy really got on the move in this, our own hemisphere. We are helping solidify a legacy of peace.

But I cannot rest and you cannot rest until we help this country win another legacy: productive jobs for our citizens with strong families secure in a more peaceful world. Working together, we changed the world. And now we can change America.

Thank you all very, very much. And may God bless you in your important work. (Applause.)

END

11:26 A.M. EST