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Victory 1992 10/8/92 [OA 8486]

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October 8, 1992

MEMORANDUM FOR THE PRESIDENT

FROM: STEVE PROVOST

SUBJECT: NATIONAL VICTORY '92 REMARKS

Tonight, at approximately 9:30 p.m., you will speak to 500 supporters at the Houston Marriott, and another 2,500 at six other sites around the country. Your remarks (teleprompted/10 minutes) thank your supporters and offer three reasons why we will win this election: achievements, ideas and trust.

Presidential Remarks: Victory '92 National Fundraiser
Houston, Texas
8 October 1992

Thank you Mr. President -- and thanks to all our friends in every city.

My special thanks to Bob Mosbacher -- who did a great job, and broke the news to me with such diplomacy -- that far more people wanted to be with "the Silver Fox" up in New York -- than down here with me in Houston.// Mrs. Bush's Scheduling

As you can imagine, I'm not much in the habit of quoting polls these days. But I couldn't help but notice a new poll that came out just last night.

It wasn't CNN, or ABC, or Gallup or The Wall Street Journal. It was that little kid's magazine -- Weekly Reader. They polled over 600,000 kids across America. 39 percent wanted Bill Clinton for President. ~~55~~ 56 percent wanted George Bush.//

Before you think that the pressure of the past few months has gone to my head, and that I'm seeking solace in 4th graders -- let me point out something.

NYT 10.8.92

Weekly Reader isn't a bad barometer of what happens in elections. That particular poll hasn't been wrong -- since 1956.//

But this is admittedly a weird year, and I don't want to leave anything to chance. So when the Democrats leave town next week, I'm asking Bob Dole, Bob Michel and all the other

there are 27 amendments -- this would be 28th.

Republicans -- to sneak up to Capitol Hill and pass the (37th) amendment -- lowering the voting age to five-years-old.//

Governor Clinton can go after the MTV vote. We'll tear him apart on Sesame Street.//

nice!

But seriously -- forget the polls. Forget the pundits. We're going to win this thing. We're going to lead this nation for four more years.//

Let me tell you three reason why I'm so confident.

First, our record.

2 WORDS!

We've heard a lot of talk this year about what's wrong with America --but lets not lose sight -- of the grand victory we have helped win for all humanity.

I've been preparing for my debate this Sunday. And my thoughts went back to another debate -- 12 years ago -- between Jimmy Carter and Ronald Reagan. Oct 28, 1980

Remember how President Carter made such a big deal -- of how his young daughter worried -- ~~had nightmares, he said~~ -- about the specter of nuclear war? DID NOT SAY THAT

Freedom House Joseph Ryan

Well, we fought a policy ?? of peace through strength. And 12 years later, (~~800 million~~ OVER A BILLION) people -- in every corner of the globe -- have enjoyed their first breath of freedom.

And tonight -- as American kids pull back the covers and shut off their talking Barbie Dolls -- they think not of nuclear weapons -- but of the sweet dreams of peace.

Does that matter? <u>You bet it does</u>.

The second reason we will win? Our ideas make sense to middle-class Americans.

Governor Clinton has done a good job of pummelling me -- quoting statistic after statistic -- tearing down America's economy.

But our problems are never put in context of the global slowdown -- and only now -- are people starting to compare our solutions.

Clinton, v of ct. 9.25.92

Governor Clinton likes to say he is -- quote -- "a different kind of Democrat."

Well, to me there's nothing "different" about $150 billion in new taxes -- more than Michael Dukakis and Walter Mondale combined. ISSUES

And there's nothing "different" about making pie in the sky promises ~~with~~ ON one hand -- while pulling dollars out of working people's wallets with the other.

In June, Governor Clinton proposed $220 billion in new government spending -- he called it "investment" -- and he used the same tone that doctors use when they say -- "this shot won't hurt one bit."

I thought that would satisfy Governor Clinton's appetite -- but it turned out to just an hors d'oeuvre. 2 WORDS!! (June 20)

We did a little calculating -- and since that day in June -- Governor Clinton has promised at least another $200 billion in -- quote -- investments. And these are just the ones we've been able to put a price tag on. A billion dollars in new promises --

correct w/ edit per Ed Walters/Dan McGrouarty who've been working on these #s w/ Ciccone.

every single day. Governor Clinton has earned a new nickname -- "Billion Dollar Bill."

But whose going to pay Bill's -- bill? The middle-class.

NO, SEPT. 14

This week, The National Association of Business Economists compared Governor Clinton's "Billion Dollar A Day" spending plan -- to my pro-growth policies of smaller government and lower taxes.

THIS IS KIND OF NARROW. THEY WERE COMPARING EVERYTHING -- FROM TAXES TO TRADE TO REGULATION.

The vast majority said that economic growth would be higher under the Bush plan. Inflation would be lower, interest rates would be lower -- and the budget deficit would be smaller.

NABE VP Read Dearhart 212 593-6800

Governor Clinton said this week that history is on "his side" -- but I fear his inexperience is showing. (3 pages) → stump speeches → last couple days

why would he put this in 3rd person if he is talking?

I can't find this

From Managua to Moscow -- history is moving away from taxes and regulation and central control.

Do you have any idea where it came from?

History is casting aside the government planner who spends the wealth of nations -- and lifting up the men and women who create it.

No, Governor Clinton, history is on our side -- and that's why we will make history in 26 days.//

One final reason we will win -- in a word -- "trust."

I have had the privilege of leading this nation through challenging times -- both around the world, and here at home.

I have made some mistakes -- and I have admitted them. But I believe I have been a good leader.//

I have made the tough decisions -- and I have tried to fulfill my obligation -- with the dignity, intelligence and respect that is worthy of this office you have entrusted me.

The world is still a dangerous place and there are still difficult decisions to be made. I think the American people understand this in their hearts -- they respect my experience and my ability to make a tough decision -- and they will reward that on November 3rd.// correct per Jennifer Grossman,

It has been said that a friend is someone who knows everything there is to know about you -- and likes you anyway.

Tonight I would add that the definition of a friend is someone who stands by your side while you're behind, so that you can pull ahead. Barbara and I are blessed with thousands of friends -- and you have touched our souls tonight.

As we say thanks, I remind you that our struggle is to more than win an election.

Our struggle is to renew America -- so that we can match the peace we have achieved in the world, with peace of mind here at home. Tonight, you have given me the strength, the passion, the inner confidence -- to take our ideas to the American people for 25 more days. You are sending me into St. Louis -- with a full head of steam.

Thank you all for your support. God bless the United States of America.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 8, 1992

REMARKS BY THE PRESIDENT
AT VICTORY '92 DINNER

J.W. Marriott Hotel
Houston, Texas

9:08 P.M. CDT

THE PRESIDENT: Thank you all very much. (Applause.) Thank you.

AUDIENCE: Four more years! Four more years! Four more years! Four more years!

THE PRESIDENT: Thank you, President Reagan. Thank you, my friend, and thank you for all that you taught me in those eight years when I was privileged to serve at your side.

Let me also give my thanks to Barbara, working so hard up in New York tonight, but all across this country. To President Gerald Ford, for whom I have unlimited respect. For my running mate and my partner, Vice President Dan Quayle, out there in St. Louis, and Marilyn. And to Bob Dole and Bob Michel, I couldn't ask for two finer, more principled leaders in the two houses of Congress. And I just wish we had control of both houses to move this country forward even faster. (Applause.)

And I was touched by what my friend Arnold Schwarzenegger said -- and he is a friend, and I value that friendship. And to all of you and the good friends watching in over 100 cities and in 30 states, you have touched my heart this evening.

Let me also add my special thanks to Ted Welch, who ran this whole effort. To Bob Mosbacher, to Rob Mosbacher, next to me here, to all our finance chairs. And, of course, a great party Chairman, Rich Bond, the Chairman of the Republican National Committee. (Applause.)

And this evening is for our entire ticket, from top to bottom, the proud Republican team. And as you can imagine, I'm not in the habit much lately of quoting polls. (Laughter.) But Rob reminded me of something; I couldn't help but notice that new poll that came out just last night. It wasn't CNN or ABC or Gallup or The Wall Street Journal; it was that little kids' magazine, Weekly Reader. And they polled over 600,000 kids across America -- 39 percent wanted Bill Clinton for President and 56 percent wanted George Bush. (Applause.)

And before you think that the pressure of the past few months has gone to my head and that I'm seeking solace in fourth graders -- (laughter) -- let me point out something. Weekly Reader is not a bad thermometer of what happens in elections. That particular poll hasn't been wrong since 1956. (Applause.) But this is admittedly a weird year, the strangest year I can ever remember in politics. And I don't want to leave anything to chance.

So when the Democrats leave Washington next week, or in the few days, I'm asking Bob Dole, Bob Michel and all the other

MORE

Republicans to sneak up to Capitol Hill and pass the 28th Amendment, lowering the voting age to five-year-olds. (Applause.)

Let Governor Clinton take his saxophone and go after the MTV vote -- (laughter) -- we'll tear him apart on Sesame Street. (Applause.)

But, seriously, forget the polls. Forget the pundits. We are going to win this election. (Applause.) And we're going to lead this nation for four more years.

And let me tell you three reasons why I remain so confident. The first is our record. We've heard a lot of talk this year about what's wrong with America. But let's not loose sight of the grand victory that we have helped win for all humanity.

And as I study for the debate this Sunday, my thoughts went back to another debate 12 years ago. I believe it was in Cleveland with President Reagan -- between Jimmy Carter and then-challenger Ronald Reagan. And in his closing statement, President Carter, speaking from the heart, talked about how he'd had a conversation with his daughter, Amy, in which she said that the control of nuclear weapons was the greatest problem facing mankind. Some laughed, I didn't; and nor did President Reagan.

Well, President Carter and many well-meaning people advocated at that point a nuclear freeze. Remember the freeze movement? But President Reagan and I fought for a policy of peace through strength. And 12 years later, over a billion people in every corner of the globe have taken their first breath of freedom. (Applause.)

And tonight, as millions of American kids pull back the covers and shut off their talking Barbie dolls -- (laughter) -- they think not of nuclear weapons, but of the sweet and satisfying dreams of peace. And does that matter? You bet it does. (Applause.)

The second reason we'll win is because our ideas make sense to middle class Americans.

Governor Clinton likes to quote statistic after statistic, all kind of tearing down America, pointing out how bad everything is. But our problems are never put in the context of a global slowdown. And only now, only in the past few days, have people really started to compare our solutions.

Governor Clinton likes to say that he's, "a different kind of Democrat." Well, to me there's nothing different about $150 billion in new taxes, more than Michael Dukakis and Walter Mondale combined. And there's nothing different about making pie-in-the-sky promises with one hand while pulling dollars out of working people's wallets with the other.

And in June, Governor Clinton proposed $220 billion in new government spending. And he called it "investment." And he used that same tone that doctors use when they say, this shot won't hurt you one bit. (Laughter.)

And I thought that would satisfy Governor Clinton's appetite, but it turned out to be just an hors d'oeuvre. We did a little calculating. And since that day in June, Governor Clinton has promised at least another $200 billion "in investments." And those are just the ones we've been able to put a price tag on -- a billion dollars in new promises every single day. And so Governor Clinton has earned a new nickname -- Billion Dollar Bill. (Laughter and applause.) But who is going to pay Bill's bills? The same people who always pay -- the middle class. They're going to do it.

A couple of weeks ago, the National Association of Business Economists compared Governor Clinton's billion-dollar-a-day spending plan with my pro-growth policies of smaller government and lower taxes. And the vast majority said that under our plan, under my plan, inflation would be lower, interest rates would be lower, and the budget deficit would be smaller.

And Governor Clinton said this week that his side is, "on the right side of history." But I fear his inexperience is showing. From Managua to Moscow, history is moving away from taxes and regulation and central control. (Applause.)

History is casting aside the government planner, who spends the wealth of nations, and lifting up the men and women who create it. No, Governor Clinton, history is on our side. And that's why we will make history in 25 days. (Applause.)

And I believe the third reason -- I really believe this one -- one reason we will win, in a word, is trust. We've spent most of the time in this campaign talking about economic and domestic policy, as well we should; because those are the most important problems facing us today. We should remember, however, that when we elect a President of the United States, we're electing someone who at any time may have to deal with the awesome decision of sending someone else's young son or daughter, America's men and women, into battle.

And I had to make that decision in 1989, and then again in Desert Storm. And the President we entrust with these decisions must have character, honesty and integrity. And last night on the Larry King Show, I was asked about some issues in my opponent's background. And let me repeat the point I made, because I feel so strongly about it: My opponent has written that he once mobilized demonstrations in London against the Vietnam War. And I simply for the life of me cannot understand how someone can go to London, another country, and mobilize demonstrations against the United States of America when our kids are dying halfway around the world. (Applause.)

The issue here isn't patriotism. You can demonstrate all you want here at home. Barbara and I look out, as Ron and Nancy did, out of the White House. And there's somebody out there every single day, properly protesting or raising objections under -- exercising their rights. That's part of America. But I can't understand someone mobilizing demonstrations in a foreign country when poor kids, drafted out of the ghettos, are dying in a faraway land.

You can call me old-fashioned, but that just does not make sense to me. (Applause.)

I think the American people respect experience and character and proven ability to make a tough decision. And I hope that means that they will vote for me on November 3rd. (Applause.)

It has been said that a friend is someone who knows everything there is to know about you and likes you anyway. (Laughter.) And, tonight, I would add that the definition of a friend is someone who stands by your side while you're behind, and so that you can pull ahead.

Barbara and I are blessed with thousands of friends. And you have touched our hearts tonight. And as we say a hearty thanks to all of you, I remind you that our struggle is to more than win an election; our struggle is to renew America so that we can match the peace we have achieved in the world with that peace of mind here at home.

And, tonight, you have given me the strength and the passion and the inner confidence to take our ideas to the American people for 25 more days. And you're sending me into St. Louis for that debate with a full head of steam. (Applause.)

And thank you for your support. And God bless the United States of America. Thank you all very, very much. (Applause.)

END 9:22 P.M. CDT

"They have tremendous power if they only use it." JEANNE CHINARD

Poll, on a Streak, Picks Bush

MIDDLETOWN, Conn., (AP) Oct. 7 — Forget the polls showing Gov. Bill Clinton ahead in the race for the White House. A student newspaper that has picked the winner in every Presidential election since 1956 weighed in today with good news for President Bush.

Mr. Bush was the choice of 55 percent of the more than 600,000 students surveyed in the Weekly Reader, drawing especially heavy support among those in kindergarten through fourth grade, said the publication's editor in chief, Sandra Maccarone.

The results came as something of a surprise, given that three other "adult" polls released today showed the Democratic challenger with double-digit leads.

But Ms. Maccarone stood by the 64-year-old weekly's perfect record.

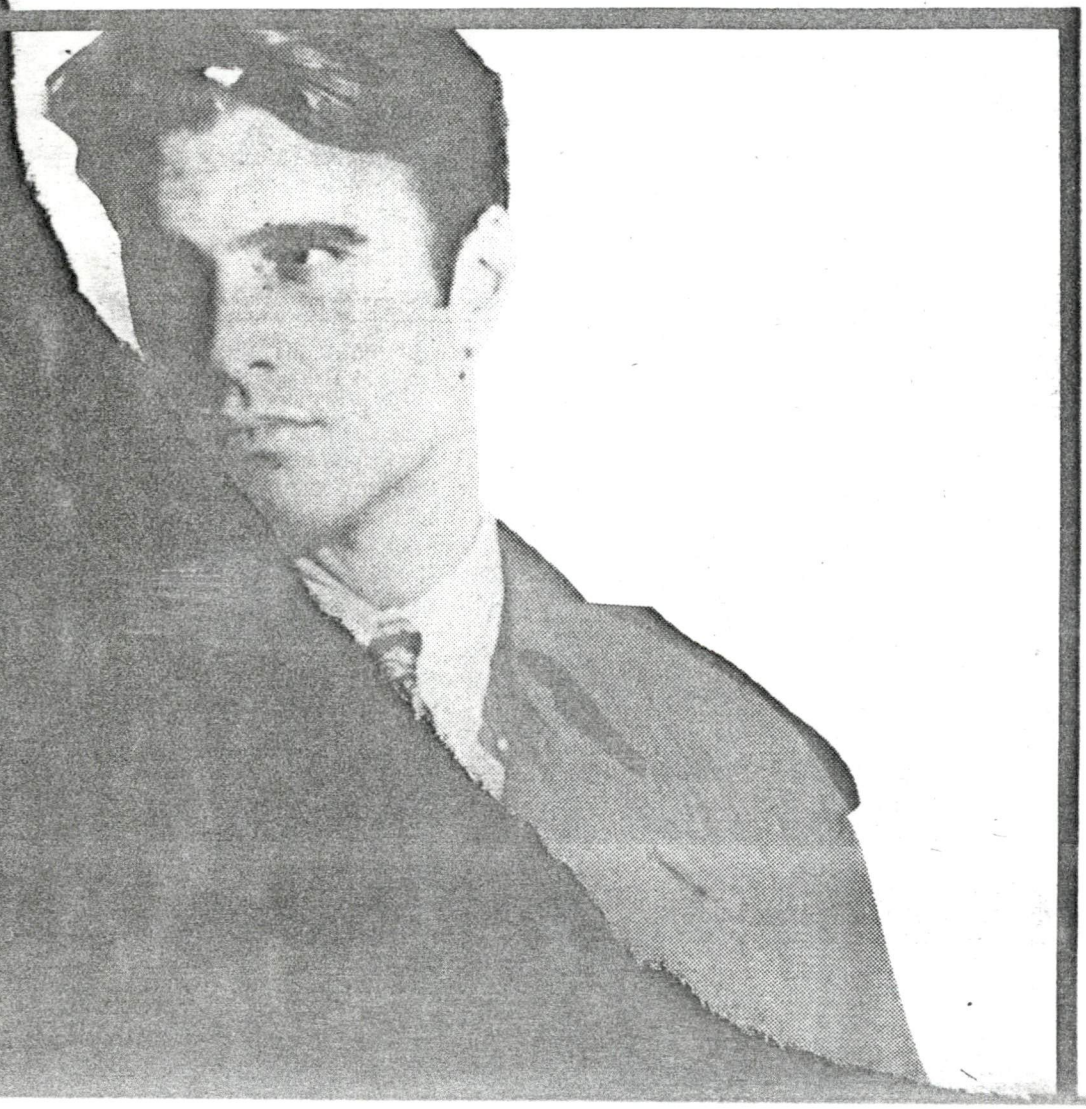
"We're going to assume it's still going to be perfect," she said. "We're not going to apologize for it."

Mr. Bush got 337,079 votes, or 55.56 percent, while Mr. Clinton trailed with 237,441, or 39.14 percent.

Ross Perot was out of the race when the poll was issued, but the "other" category drew votes from 32,176 students or 5.3 percent.

More national news, pages B22 to B26.

b e S a l e



INSIDE THE BELTWAY

Smooth talker

Industrialist J. Peter Grace is a man obsessed by rhyme.

He referred to New York Gov. Mario Cuomo as "Cuomo the homo" and New York Mayor David Dinkins as "Dinkins the pinkins," the latter term, apparently, a bit of word play on the political use of "pink" as in, say, pinko academics.

The chairman of the chemicals giant W.R. Grace & Co. made these remarks while praising Wisconsin Gov. Tommy G. Thompson, a Republican, at the opening of the corporation's Ambrosia Chocolate Co. factory in Milwaukee.

Mr. Dinkins said he could live with Mr. Grace's "pinkins" comment but "I'm greatly offended by his comments about the governor. . . . It's sad. Obviously [Mr. Grace] has a problem, a serious problem."

Mr. Grace, the head of President Reagan's Private Sector Survey on Cost Control, had already moved to make it less of a problem. He got out of town ahead of his poetry.

Last year he moved Grace's corporate headquarters from New York City to Boca Raton, Fla.

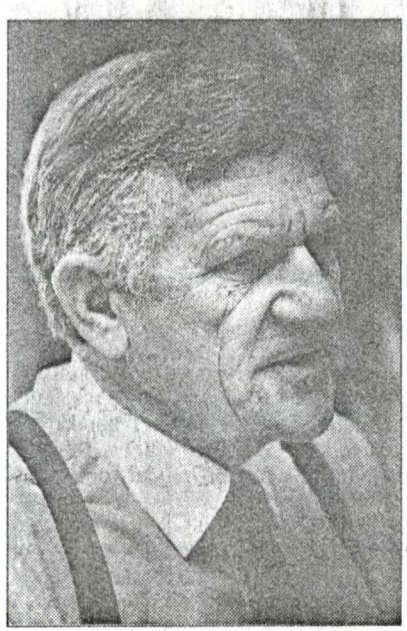
The short goodbye

The closing moments of this year's House session showed our lawmakers in a state of nature. Wow, savagery.

Shortly after noon Tuesday, House Speaker Thomas Foley announced that Democrats were seeking consent to pass one more bill, then open the floor so members could give speeches of farewell to departing colleagues.

But departing Rep. William Dannemeyer apparently thought he'd rather have an aspirin. He demanded an adjournment vote, which takes precedence over other business. The Democrats yielded and school was out.

Angered, Rep. David Obey, Wisconsin Democrat, confronted Mr. Dannemeyer. "Above all others, you have absolutely no redeeming social value," he told the California Republican.



The House's parting memory of Bill Dannemeyer is likely to endure.

Mr. Obey said he was annoyed that Mr. Dannemeyer, who is leaving Congress after an unsuccessful Senate bid this year, had killed the chance for lawmakers to say public goodbyes on the House floor.

This ire stemmed from an earlier comment Mr. Dannemeyer made privately to colleagues. "He said, 'Look, I hate this place, I hate each and every one of you, and I only have an hour and a half left here,' " Mr. Obey recounted.

"It's childishness like that all year long that has made this place a combat zone instead of a place of thought. . . . He was using his venom to muck up the House, and he didn't care," Mr. Obey told the Associated Press.

Of Mr. Obey, Mr. Dannemeyer said: "He and his friends have been stuffing the minority for so long that when they encounter someone using the rules they have set, they become vituperative. . . . It's not a pleasant sight."

He lives

He is famous for never being at the scene of an accident — any accident. So this elusive figure has tantalized the news-gathering trades for weeks as he remained unseen behind the most secure doors in the nation.

But, lo, there was the absent adviser yesterday, sitting right next to President Bush in San Antonio as he and the leaders of Canada and Mexico initialed the North American Free Trade Agreement.

James A. Baker III.

Still, many looked, shook their heads and remained unconvinced. In fact, the joke at Bush-Quayle reelection headquarters goes something like: "Poor Jim Baker? In another couple months his face will be on a milk carton."

But eureka! There in Texas, a New York Times reporter announced to his colleagues that someone was actually seen touching Mr. Baker, "so he wasn't a hologram."

Bush in a walk

President Bush will be re-elected president if the nation's schoolchildren are right — and they haven't been wrong in 36 years.

The Weekly Reader National Presidential Election Poll, involving 606,696 children in 23,000 classrooms across America, was held in late September.

The children, in kindergarten through high school, gave Mr. Bush 56 percent of the vote and 46 states. Bill Clinton got 39 percent and four states.

55.56%

Other candidates received 5 percent of the votes. But in analyzing the data, Weekly Reader sees an extension of a pattern that has occurred before.

Pupils in kindergarten through fourth grade (63 percent of all those voting), gave their vote to Mr. Bush. Pupils in fifth grade through high school (37 percent of the voters) gave their vote to Mr. Clinton.

In previous polls, pupils in kindergarten through third grade voted for the incumbent, but never before has the difference in the vote between elementary- and upper-grade students been as great.

Hold everything

Deborah Orin, Washington bureau chief for the New York Post, got the relevant details in the first paragraph of her report on Washington's most recent filibuster Tuesday:

"Sen. Alfonse D'Amato sang 'South of the Border,' sipped tea and popped throat lozenges — but never once went to the bathroom — as he tied up the Senate for 15 hours in a futile filibuster to save upstate jobs."

Political theory

P.J. O'Rourke, as he so often does, has evolved a political theory that smacks of the most original thinking on the subject since Plato reported on the shadows on the wall of the cave.

Mr. O'Rourke compared the Republican and Democratic parties to gigantic Mexican pinatas:

"The American voter is then blindfolded and given a stick," he said. "Then the voter swings the stick wildly in every direction, trying to hit a presidential candidate on the head and knock some into him."

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The Comparative Survey of Freedom 1991-1992: Between Two Worlds

R. Bruce McColm

The twentieth century is dramatically closing on one grand historical epoch that began with the Russian Revolution and the signing of the Treaty of Versailles, and ended with the breach in the Berlin Wall and eventual implosion of the Soviet Union. The last three-quarters of a century have been defined by a bitter clash of ideologies, two World Wars, the Holocaust, the Gulag, the Chinese Cultural Revolution, and their reproduction in many smaller conflicts throughout the developing world. This old epoch remains the bloodiest era in human history and may well be viewed in the future as an aberrant period. Yet remarkably, the liberal democratic idea, which faced three waves of reverses in the 1920s, 1940s and 1970s, triumphed over the challenge posed by fascism in the first part of this era and over communism and its derivatives in the second.

The past three years have seen the greatest expansion of freedom in history. Over one-third of the nations on earth, encompassing nearly 30 percent of the earth's population, have consciously decided to radically alter their political systems for more open and democratic forms of government. The twenty-first century will again challenge liberal democracy with questions concerning its ability to produce prosperity and a just social system.

Free societies—an all-time high

Last year's *Survey*, reflecting the triumphal revolutions in Central Europe and the dramatic transformation of the former Soviet Union, recorded the freest year in its 21-year history. It was the first year in which both the number of Free countries and their populations outnumbered the Not Free countries and their populations. This year India, the world's most populous democracy, fell to Partly Free for the first time since martial law was declared in 1975, thereby significantly altering the population figures. Even with such a significant loss, the number of Free societies continued to rise to an all-time high of 76. More remarkably still, the *Survey* found that there were 91 democracies and another 35 countries in some form of democratic transition—a staggering 126 out of the 183 nations evaluated—compared to forty-four democracies in 1972 and 56 in 1980.

1992 vs. 1980

The sweep and depth of this global transformation are stunning when compared to the different periods of democratic development. Harvard professor Sam Huntington has identified three "long waves" of democracy. The first began in the early nineteenth century with the extension of the right to vote in the United States and continued until the 1920s. During this period, some 29 democracies came into being. With the accession to power of Benito Mussolini in Italy in 1922, the first reversal began, lasting until 1942, when the number of the world's democracies had been reduced to twelve.

The triumph of the Allied Forces in World War II triggered a second

year's upward trend of 36. Declines were registered by another 17. Twenty-four nations improved their category ranking and only six reversed their ranking. More impressive is the fact that nearly 1.5 billion people or roughly 28 percent of the world's population came to live in societies where there has been a conscious attempt to replace their political systems with a more democratic alternative over the last three years.

Of the 183 nations evaluated by the *Survey*, 91 have democratic systems, 15 of which are considered in the Partly Free category; another 35 governments are in varying degrees of a transition to a more open and pluralistic system. Once major political competitors to liberal democracy, Communist states have been reduced to six, and traditional monarchies to twelve; military regimes number eighteen. Of all the nations Freedom House tracks, 38 remain one- or dominant-party political systems. The liberal democratic idea has triumphed as the preferred model for political development. It is sobering to note that in 57 of the 126 countries that are either democratic or in transition to democracy, military, para-military and security forces play a significant political role. Any shift in the military's allegiance to the democratic process could jeopardize this global trend.

The desire for freedom may be an inherent human characteristic but the habits and behavior of democracy must be learned over time. The Freedom House Comparative *Survey*, which monitors political rights and civil liberties in 183 nations and 62 related territories, this year classified 76 nations and 48 territories as Free, 65 nations and 4 territories as Partly Free and 42 nations and 10 territories as Not Free. The findings represent a gain of 11 countries in the Free category and a decline of 8 in the Not Free category since January 1991.

A significant three-year trend

This year's findings continue a three-year trend of a significant reduction in the number and percentage of the world living in Not Free societies. Since our January 1990 findings, 15 additional countries have gained a Free status, 18 additional are in Partly Free, and there has been a reduction of 17 societies in the Not Free category. For the sake of comparison, fifteen years ago, 43.9 percent of the world lived in Not Free societies, which is 12.1 percent more than in 1992. The world population has increased by 1.36 billion people since 1977, while people living in Not Free societies have actually declined in real terms by 56.4 million. On the other hand the population of Free societies has increased by 570 million from fifteen years ago, and Partly Free societies have increased by 847.9 million over this same period, a net combined gain of 1.418 billion people.

According to the *Survey*, out of a world population of 5.37 billion people, 1.36 billion, (25 percent) live in countries categorized as Free, 2.31 billion, (43 percent) in Partly Free, and 1.71 billion, (32 percent) in Not Free societies. However, a world without India and China, which account for a combined 2 billion people, would show 1.36 billion, or 40 percent of the earth's population, living in Free societies, 1.51 billion, or 44 percent, in Partly Free societies and 560 million people, or 16 percent, in Not Free societies.

This significant reduction in Not Free societies over the last several years should encourage increased efforts to bring pressure on those societies that remain closed. Peace negotiations marginally improved the human rights

The Survey 1992— The Year in Review

The difficulties in evaluating the state of freedom around the world have been inherent in the *Survey* project since its inception 21 years ago. This has been especially true over the past three years as the rate of political change around the world has accelerated in an unprecedented manner.

For example, in 1989, an unusually volatile period compared to past *Surveys*, 27 countries changed their ratings. The following year 56 nations, or over one-third of the world, changed because of real political events rather than from any methodological reconsiderations. Again in 1991, the world experienced radical political movement as 58 countries changed in their ratings. 41 countries improved their human rights situations, comparable to 36 the year before, while declines were registered by 17, compared to 20 the year before. 1991 saw 31 countries change their category ratings, compared to 17 the year before, moving between the categories "Free," "Partly Free" and "Not Free." Of these 24 nations improved categories, while 7 lost ground.

The *Survey* itself has expanded this year. The dissolution of the Soviet Union and the creation of the Commonwealth of Independent States have generated fifteen new national entities—the three Baltic countries of Estonia, Latvia and Lithuania and the twelve former republics of the Soviet Union. For the first time, *Freedom in the World* provides an account and the rating of political rights

31 Countries that changed categories

Country	1991	1992
Albania	Not Free	Partly Free
Angola	Not Free	Partly Free
Antigua and Barbuda	Free	Partly Free
Bangladesh	Partly Free	Free
Benin	Partly Free	Free
Bulgaria	Partly Free	Free
Cape Verde	Partly Free	Free
Central African Republic	Not Free	Partly Free
Congo	Not Free	Partly Free
Estonia*	--	Free
Ethiopia	Not Free	Partly Free
Georgia	--	Not Free
Guinea-Bissau	Not Free	Partly Free
Haiti	Partly free	Not Free
India	Free	Partly Free
Latvia*	--	Free
Lebanon	Not Free	Partly Free
Lesotho	Not Free	Partly Free
Lithuania*	--	Free
Mali	Not Free	Partly Free
Mongolia	Partly Free	Free
Mozambique	Not Free	Partly Free
Nepal	Partly Free	Free
Niger	Not Free	Partly Free
Romania	Not Free	Partly Free
Sao Tome and Principe	Partly Free	Free
Slovenia	--	Free
Thailand	Free	Partly Free
Uganda	Partly Free	Not Free
Yugoslavia	Partly Free	Not Free
Zambia	Partly Free	Free

* Formerly under control of the Soviet Union; new to the *Survey*.

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120 Wall Street
Floor 26
New York, NY 10005

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Phil Smith (703) 519 9872

Call Steve — AFL — Wit & Pat Leales Hill Cauce

→ Survey of Small Business after expenses before taxes

Donna Harper, 205-6913.]

→ Annual Report of Small Business ←
Chief Economist 205-6533

~~205-6600~~
Julie Weeks

- no data on small corporations, rep most of revenue
- only have ~~sm~~ sole proprietors

Profits of all corporations declined

rev is 15% is small corporations (rep 80-85% of sales in SB sector.

closest IRS term is net income

In 1991 the income of sole proprietors & partners increased from 352.6 ~~billion~~ billion to 369.5 billion or 4.8% increased of 16.9 billion data collected by Commerce

(rep approx 85% of all small business) - only rep 20% of sales

- at the same time overall earned income ~~in~~ in the economy increased by 2.8%

Therefore, small sole proprietors & partners did better.

(Smallest of the small business did fairly well -- indeed better than the general economy

- grew faster than general economy
- that's where the jobs are!
- because of tax increases overhead, this profit will be less

863-8666

Lay King Monday

Are you going to win?

We have a good chance, because history ... we are on the right side of history.

Republican
National
Committee

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CNN "LARRY KING LIVE"
INTERVIEW WITH: GOVERNOR BILL CLINTON, D-AR AND SENATOR ALBERT GORE, D-TN

MONDAY, OCTOBER 5, 1992

****

****

MR. LARRY KING: Great pleasure to have both candidates with us. Al Gore is just back from Washington, where he voted to override the President's veto of the cable bill. Right?

SENATOR ALBERT GORE: That's correct. The House will vote --

MR. KING: What was the vote?

SEN. GORE: -- shortly. The Senate voted 74-25. If the House follows suit, then this will be the first time in four years that a veto by President Bush has been overridden. It's kind of a -- a sign. It's a bell weather. It's an indication of the winds of change that are blowing across the country and when President Bush sided with the cable monopolies, the majority in the House and Senate sided with the people of this country. No business should have neither competition nor regulation nor accountability.

MR. KING: Do you expect the House to override?

SEN. GORE: I certainly hope so. I'll knock on wood. I think it's likely to --

MR. KING: We'll know any minute and I'll pass it along (to you?).

SEN. GORE: We'll know -- we'll know soon. I certainly hope so because the people out there watching have been getting ripped

"How many Republicans here are for Clinton-Gore? Wave your arms." And there's just a sea of arms. "How many former Perot supporters?" "How many independents?" "How many Democrats?" America is coming together around the proposition that we have got to have change. We cannot continue what we've had, because it's not working. And the real choice is whether or not we have the courage to see change and a new direction, a new generation of ideas to get the country moving again, or whether we stick with the same old approach that hasn't worked. And I think there's a strong majority building in favor of change.

MR. KING: So you think you're going to win?

SEN. GORE: Well, I think that we've got 30 days of real hard work to do, if it continues going the way it is. And it's up to the American people, but if it continues going with them the way it is, then I think so.

MR. KING: Are you going to win?

GOV. CLINTON: We have a good chance, because history -- we are on the right side of history.

MR. KING: Are you ahead?

GOV. CLINTON: I think we're ahead now. But the most important thing is we are speaking to the real problems and the real promise of this country, the real concerns of ordinary Americans. And we are on the right side of history. We are trying to change this country in ways that will help us to open up opportunity in this era.

MR. KING: Do you think in these last 30 days it will on -- this could be on all three sides -- this is going to get dirty or cleaner? Are we going to have issues become prevalent, or non-issues become prevalent?

SEN. GORE: Oh, I think Bush is already throwing everything, including the kitchen sink, into this. This advertisement that's so misleading is just one example.

MR. KING: Do you expect an October surprise?

GOV. CLINTON: I wouldn't be surprised by anything. He said when he started this camaign he would do whatever he had to do to

Introduction

Once every four years the current vice-president of the National Association of Business Economists has the interesting opportunity to comment on the association members' views in a period in which there is strong and important public interest in economic policy and the impact of that policy on their individual prospects and current environment. The nation's voters will be making a choice of presidential and congressional leaders in a few weeks. This year there is an especially strong interest in economic policy since many consumers, business leaders and workers are especially worried about the current economic situation.

This review is designed to blend the results from both the economic outlook survey and the policy survey. It will begin with a brief view of the current economic outlook of NABE members, followed by a review of the results of the policy analysis, and concluding with more details from the economic outlook survey.

Four years ago NABE's members, by a margin of 53 to 37 percent, expected George Bush to be elected the next president. This year the members give Governor Clinton a lead of 2 to 1, with 66.7 percent expecting Clinton to win. In 1988, 61 percent of NABE's policy panel said George Bush's economic policy proposals "would be better for maintaining stable growth and moderate inflation in the years ahead." This year a surprising 59.5 percent hold the same view, although they don't expect a Bush victory.

In this report we describe NABE policy recommendations and the macro forecasting panel's outlook of the balance of 1992 and for 1993. Nearly three hundred members of the National Association of Business Economists participated in the August 1992 macro economic and policy surveys. As explained later, the macro forecast calls for 1992 growth in Gross Domestic Product to be 1.8 percent and for 1993 growth of 2.7 percent growth is expected. Inflation for 1992 will be 3.1 percent and for 1993 it will rise slightly to 3.4 percent according to the macro panel.

The policy panel's views are of special interest since they comment on both the political feasibility and the economic merit of many of the spending reductions and revenue increasing proposals that are now becoming the center of the election debate.

When asked which indicators were the best single measure of the current thrust of monetary policy, the responses were:

The Fed Funds Rate Level	**47.2%**
Recent Real Money Growth Rates	**21.9%**
Recent Nominal Money Growth Rates	**14.6%**
Recent Total Reserves Growth Rate	**6.0%**
The Borrowed Reserves Level	**4.7%**

At the present time the key issue affecting monetary policy is, "The pace of economic growth," according to 65% of the participants. Other key issues cited were unemployment (18.6%), inflation and inflationary expectations (10.2%), the value of the dollar (2.1%) and other (3.7%). Further, 72.6% said that for the second half of 1992 the top priority of the Federal Reserve should be recovery. Another 23.9% said the top priority of the FRB should be to "reduce long-term inflation".

Fiscal Policy

In July 1992, the Administration released its Mid-Session Review of the Budget. This review included the deficit and spending growth estimates in Table 2 below. This was the starting point for the discussion of fiscal policy.

Table 2 -- Deficit and Spending Growth Estimates

	Fiscal Years - Billions of Dollars		
	1991	**1992**	**1993**
Unified Deficit	$269.5	$333.5	$341.0
Deposit Insurance	6.7	11.0	59.4
Desert Storm	-43.2	-5.0	0.0
Deficit, less Deposit insurance and Desert Storm	$246.0	$327.5	$281.6
Fed. Spending Growth	5.8%	6.3%	6.9%
ex RTC		11.0%	3.5%

The NABE policy panel believes that this fiscal policy is too stimulative (44.7%), too restrictive (24.7%) or about right (30.6%). This is consistent with the views that they would prefer it to be more restrictive in the next six months (43.2%) or unchanged (31.6%). Only 25.2 % favored a more stimulative policy; the same as the group that views current policy as too restrictive. Only 6.4% expect fiscal policy to actually become more restrictive. About one-third of the panel said that a stimulative fiscal package should be proposed in 1993, with nearly two-thirds suggesting a package that would add less than $50 billion to the federal deficit. At the same time, 63.1% opposed reducing the social security tax to pay for the package of fiscal stimulus. Likewise, over 80% opposed reduction of the unemployment insurance tax to offset the additional fiscal spending.

the respondents, with 9 out of 10 in the approval category indicating that the change should be permanent. At the same time, two thirds of the panel opposed lower tax reductions for families with $20,000 to $50,000 of income.

Fiscal Spending Reductions

Another approach to dealing with the federal deficit is to cut spending. The panel was asked to rank the political feasibility and the economic merit of reducing spending in a number of categories. We will begin by looking at the responses for reduced spending on the Strategic Defense Initiative. Responses (on a scale of 5 to 1 from highest to lowest feasibility or merit) were:

Table 3 -- Reduce Spending on the Strategic Defense Initiative

	Highest (5)	(4)	(3)	(2)	(1) Lowest
Political	**25.9%**	**44.0%**	**3.7%**	**5.2%**	**1.3%**
Economic	**40.2**	**22.6**	**24.8**	**6.4**	**6.0**

Thus, nearly 70% of the panel thought that the political opposition to reduced spending on the Strategic Defense Initiative (STI) could be overcome, and a significant group of over 40% ranked the proposal high on economic merit. Reductions in the Strategic Defense Initiative thus offers a tempting political and economic target.

In the views of the NABE Policy Panel it is both politically feasible to achieve cuts in the STI and it is a proposal that does not have high economic costs other than the impact of the spending cutbacks for defense contractors. However, this fortunate merging of political and economic elements does not exist for many aspects of cutting federal spending. This is the heart of the dilemma for policy makers that has been evident since the reform of the budget act in 1974 and the rebellion in Congress which reduced the power of committee chairmen. The so-called Iron Triangle of the bureaucracy running programs, congressmen with oversight interests, and the segments of society affected by government programs has made control of government spending virtually impossible.

As an example of the tough political and economic choices that should and must be made to correct the fiscal crisis, the panel was offered several other topics for ranking on the scale of political feasibility and economic merit.

Table 4 --Selected Areas for Spending Reductions

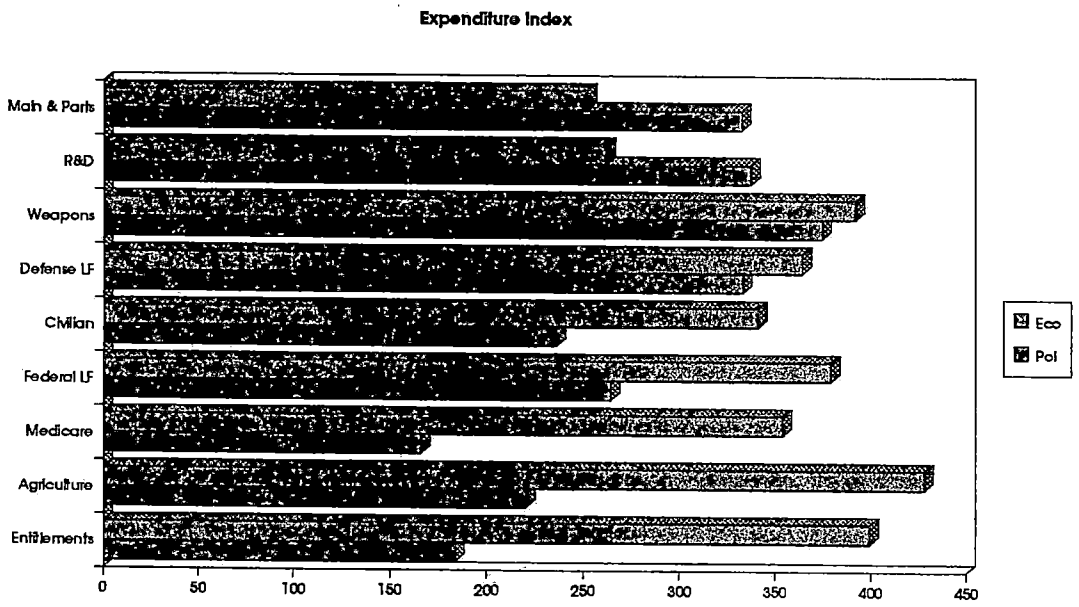
	Highest (5)	(4)	(3)	(2)	(1) Lowest
Weapons					
-Political	23.8	39.8	26.0	8.2	2.2
-Economic	37.6	30.3	22.2	6.4	3.4
Main & Parts					
-Political	14.4	29.7	38.4	9.2	8.3
-Economic	9.1	10.3	30.6	23.7	26.3
Defense LF					
-Political	15.2	28.3	34.8	17.8	3.9
-Economic	27.0	31.3	24.9	12.9	3.9
R&D					
-Political	12.6	34.8	34.3	14.3	3.9
-Economic	10.8	15.1	25.0	23.3	25.9
Entitlements					
-Political	2.2	6.9	8.7	36.8	45.5
-Economic	51.1	19.1	15.7	6.4	7.7
Medicare					
-Political	1.3	3.9	9.5	29.9	55.4
-Economic	26.4	30.3	22.9	12.1	8.2
Agriculture					
-Political	3.0	8.3	21.7	40.0	27.0
-Economic	60.3	20.3	11.6	5.2	2.6
Civilian					
-Political	4.8	11.3	27.0	29.1	27.8
-Economic	31.9	19.4	19.8	15.9	12.9
Federal LF					
-Political	6.9	16.5	31.2	24.7	20.8
-Economic	37.3	25.8	21.9	9.0	6.0

This table shows a high correlation. Actions with high economic merit generally have been ranked as an area with low political feasibility. Only the area of reduced spending on weapons systems has a measure of related support, but even here the economic merit at the highest level is nearly 50% higher than the highest political feasibility. Also in the military area it is interesting that the panel does not see much economic merit to reduced military spending on maintenance and parts, and the panel sees political resistance to cutting the size of the military labor force. Military R&D has a high level of support from the panel as an area of expenditure with positive impact on the economy and hence low economic merit to cutting R&D expenditures.

The panel sees very high economic benefit to cutting spending on entitlements and agriculture, but the political feasibility of such cuts is rated as very low. The panel also favors cuts in Medicare, civilian federal departments, and even the federal labor force; but here also, they see strong political support for such functions making the political feasibility of such cuts very unlikely.

A weighted index can be calculated by multiplying the percent in a category by the scale (1 to 5). The result is in indicator of the gap between political feasibility and economic merit. The expenditure results are summarized on this basis in Chart 1.

Chart 1 -- Weighted index summary of Expenditure Reduction Proposals



Tax and Revenue Proposals

If there is to be a serious effort to reduce the federal budget deficit, spending reductions must be accompanied with proposals to income revenue. The government can close the budget gap by increasing taxes or by seeking other forms of revenue. Therefore, the NABE Policy Panel was also asked to rate the political feasibility of several tax and revenue proposals that have been in the public debate in recent months. The same scale is used for these proposals. Responses concerning political feasibility and economic merit (on a scale of 5 to 1 from highest to lowest feasibility or merit) were requested for the several proposals.

The tax and revenue proposals submitted to the NABE Policy Panel were the following:

- **Place a surcharge of several percentage points on personal income taxes (Inc. Tax Surcharge)**
- **Raise the top income tax bracket from 28% to 33% (33% Tax)**
- **Raise gasoline taxes by $0.20 to $0.30 per gallon (Gas Tax)**
- **Impose a tax on all consumer energy products and services (Energy Tax)**
- **Add an oil import fee (Oil Import Tax)**
- **Raise other excise taxes, such as those on cigarettes and alcohol (Excise Tax)**
- **Raise marginal tax rates for corporations (Corp. Tax)**
- **Further limit the deduction for mortgage interest (Mort. Cap.)**
- **Restrict deduction of state and local taxes (Reduce State Ded.)**
- **Increase taxation of Social Security benefits (Tax Soc. Sec.)**
- **Further restrict deductions for business meals and entertainment (Reduce Exp. Ded.)**
- **Tax capital gains at death (Death Tax)**
- **Tax fringe benefits (Fringe Ben. Tax)**
- **Institute a value-added tax (Val. Added Tax)**

The results of the two rankings (Political Feasibility and Economic Merit) are shown in the Table 5 on the next page. A related question concerning overall revenue policy centered on defining programs that would have a positive impact on long-term growth trends. When asked what options they would favor the panel answered as follows:

1.	**Reinstate investment tax credit**	**46.4%**
2.	**Reduce capital gains tax**	**45.5%**
3.	**Reduce public consumption spending**	**36.2%**
4.	**Eliminate taxation of dividends**	**36.2%**
5.	**Increase public works spending**	**34.5%**
6.	**Increase gas tax**	**28.9%**
7.	**Increase spending on social programs (head start, etc.)**	**16.6%**
8.	**Increase taxes on incomes over $250,000 a year**	**15.3%**
9.	**Reduce the Social Security tax**	**10.3%**
10.	**Lower middle class taxes ($20-50,000 income/yr)**	**8.1%**
11.	**Allow IRA withdrawals with payback in two years**	**4.7%**
12.	**Grant tax credit of $5,000 for new home purchase**	**3.0%**

These overall views are consistent with the related data on the individual proposals, but this tabulation gives a perspective on the overall ranking of the specific proposals.

The weighted index for revenue proposals is summarized in Charts 2 and 3 below. The index was calculated in the same manner described earlier for the expenditure proposals.

Chart 2 -- Selected Revenue Enhancement Proposals - Weighted Index

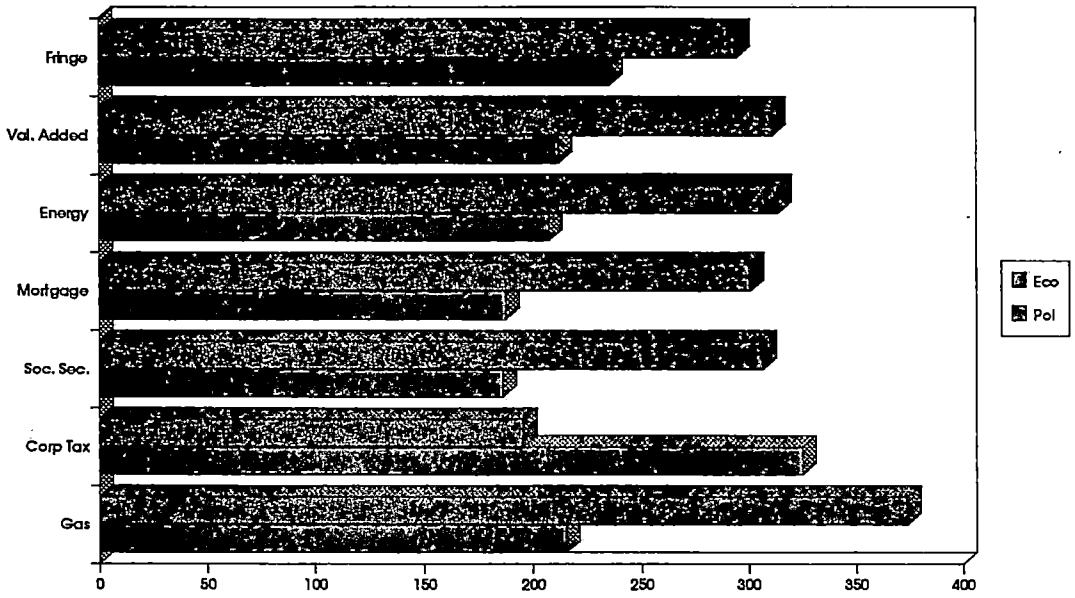
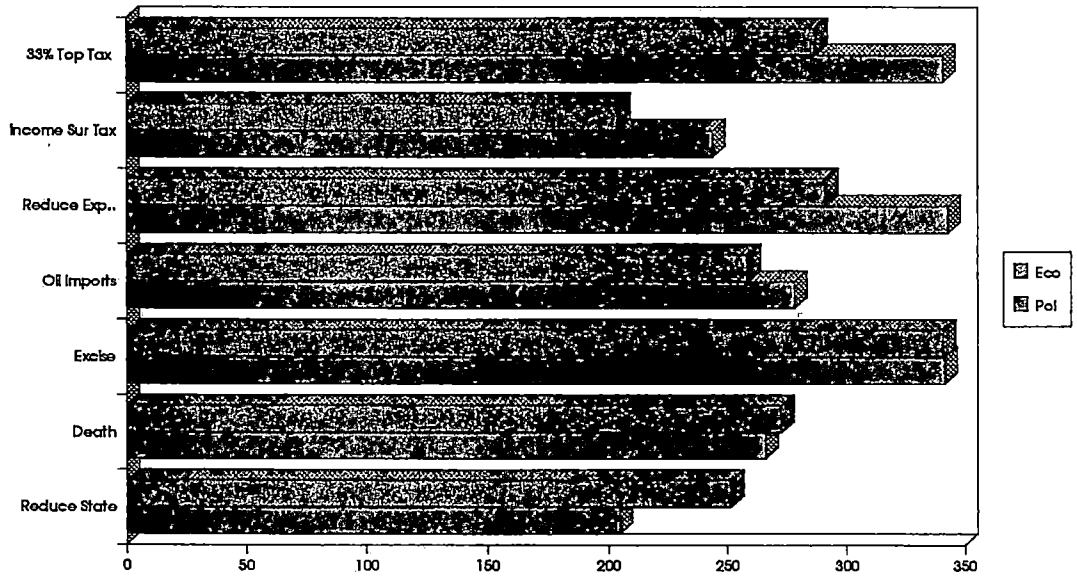


Chart 3 -- Additional Revenue Enhancement Proposals - Weighted Index



Financial Restructuring: Cyclical or Secular Change?

It is clear that a significant amount of financial restructuring has been occurring during the past two to three years. The panel was asked to evaluate the nature and impact of that restructuring. When asked if the economy is now going through a larger, but still typical, cyclical form of credit crunch or if there is something more fundamental going on in the financial system, 80% expressed the view that the current situation is a more fundamental process. Approximately 68% indicated that this period of financial distress has reduced activity in their industry.

On a general basis the panel commented on the following solutions to the financial distress in the economic system. The preferred solutions were:

Lower interest rates	**33.2%**
Remove constraints on interstate banking	**24.4%**
Reduce overall regulation by Federal authorities	**22.1%**

In my judgment there is a major restructuring that is still to be accomplished, and until the poor balance sheets of households and corporations are revitalized, there will be many difficulties in bringing the economy to a state that is familiar to the traditional economic forecaster.

With that sweeping statement, let's turn to the results of the NABE macro panel that was asked to discuss the specific numbers that define the economic outlook. Of course, they do not have a clear crystal ball that predicts the outcome in the election, especially the composition of the congressional delegations. Nevertheless, they are fearless in making forecasts of economic developments in the coming months. These forecasts serve as both a framework for the analysis of our membership and as a benchmark for the public that is evaluating the economic proposals and philosophy of the candidates for public office in the coming period. Thus the results of the macro panel merit your close attention.

Outlook for the Economy Weakens

While NABE's members do not foresee another recession emerging by the end of 1992 (only 2% rate such an event as higher than a 1 in 3 probability), the average growth for the year has been revised down to 1.8%. At this time last year the members were looking for 2.7% growth for 1992, *a forecast which is similar to the forecast for 1993 which is suggested by our panel.*

In the current survey, business economists are looking for 2.7% growth for 1993; hence the long anticipated recovery remains in the coming year. Further the outlook is remarkably similar for economists in different industry groups; with economists from goods producing firms, and from Trade, Transportation, Utility & communications sectors seeing 1.9% growth for 1992 and economists from other services slightly lower at 1.7% growth. The same small divergence in outlook by sector prevails for 1993 as well.

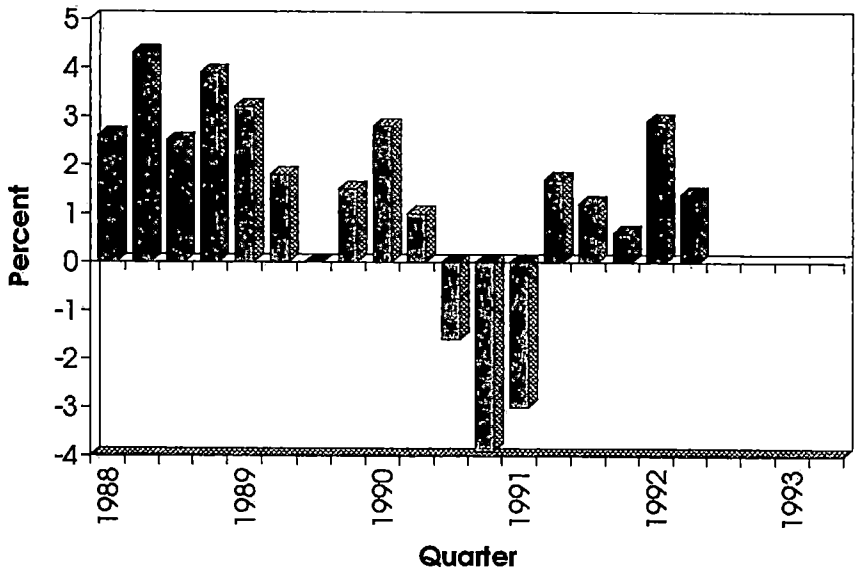


Chart 4 - Gross Domestic Product Growth by Quarter Since 1988.

There is No Triple Dip

Recent growth in Gross Domestic Product has been positive, with the most recent data showing a three quarter period of negative growth beginning in the second half of 1990 and ending with the decline of the first quarter of 1991. However, some observers have labeled the decline from 1.7% growth in the second quarter of 1991 to 0.6% growth in the fourth quarter as the "double dip," even though growth was positive. Now the "triple dip" label is being applied to the slowdown from 2.9% in the

forecasters have positive growth for the next year, so it is clear that an official recession (two quarters of negative growth) is not expected. The average forecast for the lowest 10% is 1.8% growth; only 0.5% lower than the average forecast and 1% lower than the average for the highest 10%. Thus the range of forecasts continues to be in a rather narrow band, a characteristic of forecasts for the past 18 months.

A dramatic way to summarize economic conditions in the United States during the past three years is to consider the change in real ($1987) value of final sales of domestic product.

In the first quarter of 1990 final sales increased by over 50 billion dollars; in the second quarter of 1992 it is only 57.7 billion dollars higher than it was at the end of 1989. For three years the economy has declined gradually and recovered gradually for

Continuing Concern About the Lack of Strength

NABE's forecasters continue to look for stronger recovery, but the current results have caused members to take the view that recovery is a few quarters in the future. These views of the future are summarized in Chart 1, "GDP Growth Forecasts by Survey Period.

At the 1991 annual meeting of NABE, it was noted that the view of NABE forecasters concerning 1992 had not changed significantly over the year (See Chart 2), but the view concerning 1991 had weakened following the November 1990 survey. This year the outlook for 1992 also weakened during the year, and the outlook for next year is for moderate growth. Thus, throughout 1991 and 1992 the group has been looking for a slow recovery to be stimulated by easing monetary policy.

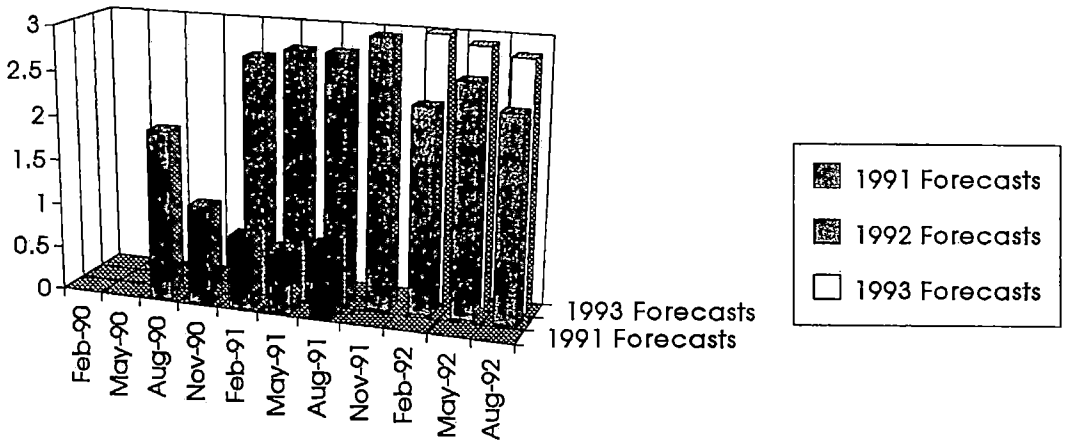


Chart 5 - The NABE Forecasts for 1991-1993 by Survey Period

a net result of no real growth in domestic product. Most of the recovery during the past four quarters occurred in the first quarter of this year.

Factors in the Expected Recovery

The NABE forecasters cited two primary reasons they expected economic recovery to strengthen. Nearly one-half cited conventional monetary stimulus including the impact of falling interest rates on interest sensitive spending for items such as autos, houses and business capital. Another 45% of the forecasters thought that a "working through" of "structural" imbalances such as high private debt burdens, large government deficits, and depressed real estate values would contribute to the recovery. Fiscal stimulus and "supply shocks" such as a sharp decline in the price of food or energy were cited by about 6% of the forecasters.

Over half of the participants in this survey indicated that they had revised inflationary expectations down more than a quarter of a percentage point for the next five years with the majority of that group having revised the average expected inflation rate down by 0.25 to 0.5 percentage points. About 17% of the NABE forecasters have revised their inflationary expectations downward by 0.5 to 1 percentage point.

Using the 30-year Treasury bond as a benchmark, the long end of real interest rates averaged between 6% and 7% in the 1980's. In the present economic environment the respondents expected lower real interest rates on average between now and the end of 1997. Nearly 39% forecasted real rates of below 4%, and 49% anticipated real rates in the range of 4% to 6%. Only 13% expected real rates to be over 6% on average for the next five years.

With lower anticipated inflation and lower real interest rates, over 56% of the NABE forecasters expect the international value of the dollar on a trade-weighted basis to be up between now and the end of 1997, with over three quarters of the stronger dollar advocates expecting the dollar to increase in value between 5% and 15% over the five-year period. About 41% of the participants in this survey thought the dollar would remain where it is, or decline by 5% to 15%. Given the volatility of currency markets during the past five years the current forecast seems to reflect a more stable exchange rate system in the future.

The Impact of Economic Theory on Views of Business Economists

Participants in the NABE macro economic policy survey were asked to identify both industry of employment and the predominant theoretical framework that served as the foundation for their forecasts. The largest group resists a "standard" label and is probably inclined toward an eclectic approach to economic analysis. Significantly, despite the attention given to monetary, rational expectations and supply side theories, only one quarter of the participating business economists identified with those theories. Further, economists from "other services" dominate the participants reflecting the influence of financial economists and economic consultants.

Historical Track Record for NABE Forecasts

(Forecasts made from the previous summer)

	Real GNP Growth			CPI-U*		
	Forecast	Actual	Diff.	Fore.	Actual	Diff.
1977	5.1	4.7	0.4	6.0	6.7	-0.7
1978	4.5	5.3	-0.8	6.2	7.3	-1.1
1979	2.5	2.5	0.0	7.3	8.9	-1.6
1980	0.1	-0.2	0.3	7.8	9.1	-1.3
1981	0.7	1.9	-1.2	8.9	9.6	-0.7
1982	3.0	-2.5	5.5	8.3	6.4	1.9
1983	2.9	3.6	-0.7	6.5	3.2	3.3
1984	4.5	6.8	-2.3	5.0	4.3	0.7
1985	3.6	3.4	0.2	5.0	3.6	1.4
1986	2.8	2.7	0.1	4.1	1.9	2.2
1987	2.7	3.4	-0.7	3.3	3.7	-0.4
1988	2.7	4.5	-1.8	4.7	4.1	0.6
1989	2.0	2.5	-0.5	5.1	4.8	0.3
1990	1.8	1.0	0.8	4.5	5.4	-0.9
1991	1.2	-0.1	1.3	5.3	3.3	2.0
1992	2.7			3.7		
1993	2.7			3.4		
Average Absolute Error			1.1			1.2

* GNP deflator for 1975-81; CPI All Urban Consumers 1982-90

Supplemental Table Political-Economic Issues

Trade Policy

		Over 50%	50/50	Less than 50%
A.	What is the probability that the GATT negotiations will be concluded successfully within the next six months?	7	36	57

		1993	After 93	Neg. Fail	Congr. KO
B.	In your judgment, the North American Free Trade agreement will be ratified by Congress	57	21.6	3.1	8.3

C.	Which of the following statements best reflects your views?: "American firms" lack of competitiveness verses Japanese firms is due to ---"	
	An overvalued dollar	40.1
	Trade barriers (implicit or real) in Japan	20.7
	Faulty U.S. economic policy	17.2
	Noncompetitive wages in the U.S.	12.3
	Ineffective U.S. management	2.6
	Noncompetitive products	1.8
	Other	5.3
D.	Should U.S. trade policy be oriented toward--	
	Multilateral approaches such as the GATT negotiations	14.6
	Bilateral or regional negotiations such as NAFTA	9.3
	Both multilateral and bilateral approaches	65.9
	Emphasis enforcement of fair trade provisions such as Section 301 which allows retaliatory tariffs in cases where unfair foreign competition is found	10.2

Aid to the Commonwealth of Independent States (formerly the USSR)

A. Economic reforms in Russia and the CIS are causing market disruptions and some disillusionment within the general population. The problems allowed conservatives to affect a slowing of reforms at the April meeting of the Congress of People's Deputies. In response to this slowdown in reforms, the IMF has withheld certain assistance. How closely should the assistance to Russian and the CIS be tied to reforms:

No reforms, no aid	25.3
Aid should be extended with consideration for the domestic political situation	55.9
Aid should be given for humanitarian reasons with less importance attached to reforms	18.8

Z. Relative to projected economic performance under a second Bush Administration, characterize the following under a President Clinton:

	Higher	Lower	Same
Economic Growth	52.8	22.7	24.5
Government Regulation	77.6	2.6	19.8
Inflation	71.1	4.7	24.1
Budget Deficit	65.2	14.2	20.6
Trade Deficit	44.2	27.5	28.3
Dollar	20.8	51.5	27.7
Long Term Rates	68	10	22.1
Short Term Rates	63.6	10.4	26
S & P 500	32.9	45	22.1

	Agree	Disagree	Difference
AA. Deficit reduction projections under the Clinton program are primarily due to economic growth and not the net impact of Mr. Clinton's proposals.	82.1	17.9	64.2

NABE

National Association of Business Economists

1992 Annual Meeting
Dallas, Texas
September 13-16, 1992

Economic and Policy Surveys

Presented by:
Joseph W. Duncan
Vice President, NABE
and
Vice President, Corporate Economist and Chief Statistician
The Dun & Bradstreet Corporation
New York, New York
September 14, 1992

OFFICE OF
PRESIDENTIAL ADVANCE

COVER PAGE

TO: Jennifer Grossman

FROM: David Jones

TOTAL NUMBER OF PAGES: 5
(including this cover page)

DATE: 10/8

TIME: 10AM

MESSAGE:

IF YOU HAVE ANY QUESTIONS OR PROBLENS WITH THIS TRANSMISSION PLEASE CALL:

TELEPHONE NUMBER: 713/956-0808

6:35 pm THE PRESIDENT is announced into Exhibition Hall, proceeds to Seat and is Seated.

6:36 pm Dinner is served.

7:15 pm THE PRESIDENT departs Exhibition Hall and proceeds to Holding Room.

7:17 pm THE PRESIDENT arrives Holding Room for Private Time.

(PRIVATE TIME: 10 MINUTES)

7:27 pm THE PRESIDENT departs Holding Room and proceeds to Exhibition Hall Off-Stage Announcement Area.

7:28 pm THE PRESIDENT arrives Exhibition Hall Off-Stage Announcement Area and holds briefly.

7:30 pm A video will be shown at this time.

7:35 pm THE PRESIDENT is announced onto Stage, proceeds to Seat and is Seated.

NOTE: This event is satellite linked to seven cities around the country.

7:36 pm Live shots of each up-link city are displayed.

7:38 pm Mr. Robert Mitchum, Master of Ceremonies, introduces Ms. Sandy Patti, Singer.

7:39 pm Ms. Patti sings National Anthem (from St. Louis).

7:40 pm Mr. Mitchum makes welcoming Remarks and introduces Mr. Rob Mosbacher, Chairman, Texas Victory '92.

7:42 pm Mr. Mosbacher introduces Mr. Lod Cook, Chairman, Victory '92 Dinner, Los Angeles (from Houston).

7:43 pm Mr. Cook makes brief remarks and introduces Mr. Charles Gargano, Chairman, Victory '92 Dinner, New York (from New York City).

7:44 pm Mr. Gargano makes brief remarks and introduces Mr. Bucky Bush, Chairman, Victory '92 Dinner, St. Louis (from St. Louis).

7:45 pm Mr. Bush introduces Mr. Gordon Woodrow, Chairman, Victory '92 Dinner, Philadelphia (from Philadelphia).

7:46 pm Mr. Gordon Woodrow makes brief remarks and introduces Ms. Pat Harrison, Co-Chair, Victory '92 Dinner, Washington, D.C.

7:47 pm Ms. Harrison makes brief remarks and introduces Mr. Alec Poitevint, Chairman, Victory '92 Dinner, Atlanta (from Atlanta).

7:48 pm Mr. Poitevint makes brief remarks and introduces Mr. Ted Welch, National Chairman, Victory '92 (from Atlanta).

7:49 pm Mr. Welch returns program to Mr. Mitchum (from Houston).

7:50 pm Mr. Mitchum introduces The Honorable Robert Dole, U.S. Senate, Kansas (from Washington D.C.).

7:51 pm Senator Dole makes brief remarks and introduces The Honorable Bob Michel, U.S. Representative, Illinois, 18th District.

7:55 pm Congressman Michel makes brief remarks.

7:58 pm	Mr. Mitchum introduces Mr. Arnold Schwarzenegger, Actor.
7:59 pm	Mr. Schwarzenegger makes brief remarks (from Atlanta).
8:03 pm	Film Highlights of Ford Presidency are displayed.
8:05 pm	Mr. Bob Hope, Entertainer, makes brief remarks (from Los Angeles) and introduces The Honorable Gerald Ford, Former President (from Philadelphia).
8:07 pm	Former President Ford makes brief remarks.
8:11 pm	Ms. Mary Hart, Co-Host, Entertainment Tonight, introduces Mrs. Marilyn Quayle (from Los Angeles).
8:12 pm	Mrs. Quayle makes brief remarks (from Washington D.C.).
8:16 pm	Ms. Shirley Jones, Singer, introduces Mrs. Bush (from New York).
8:17 pm	Mrs. Bush remarks (from New York).
8:21 pm	Mr. Mitchum introduces Mr. Warren Moon, Quarterback, Houston Oilers (from Houston).
8:22 pm	Mr. Moon introduces The Honorable Dan Quayle, Vice President of the United States (from Houston).
8:23 pm	Vice President Quayle makes brief remarks (from St. Louis).
8:29 pm	Filmed Highlights of Reagan Presidency are displayed.
8:31 pm	The Honorable Pete Wilson, Governor of California, introduces The Honorable Ronald Reagan (from Los Angeles).

8:32 pm THE PRESIDENT is introduced for Remarks by The Honorable Ronald Reagan, Former President.

8:35 pm THE PRESIDENT makes Remarks.

8:45 pm THE PRESIDENT concludes Remarks, proceeds to Seat and is Seated.

8:47 pm "God Bless America" is sung by Shirley Jones (from New York City).

8:49 pm Mr. Mitchum recognizes "Receive-Only" Cities and thanks guests during music.

8:54 pm Announcer closes show.

9:00 pm THE PRESIDENT concludes participation in Victory '92 Dinner, departs Stage and boards Motorcade.

9:05 pm THE PRESIDENT departs J. W. Marriott Hotel en route Episcopal High School Landing Zone.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 10 Minutes)

9:15 pm THE PRESIDENT arrives Episcopal High School Landing Zone and boards Marine One.

9:20 pm THE PRESIDENT departs Episcopal High School Landing Zone en route Ellington Field.

News from John McCain

U.S. Senator • Arizona

TO: LARS PIERSEN

FROM: MARK SALTER

DATE:

TIME:

NUMBER OF PAGES INCLUDING COVER:

5

OFFICE NUMBER (202)224-2235

111 Russell Senate Office Building Washington, D.C. 20510

Senator John McCain

WASHINGTON, D.C. 20510

HOLD FOR RELEASE:
THURSDAY, AUGUST 20, 1992
8:30 P.M. (EST)

CONTACT: KIRSTIN WALKER
(713)727-2465 SKY PAGER
(713)748-3221 SHERATON ASTRODOME

STATEMENT BY SENATOR McCAIN AT THE REPUBLICAN CONVENTION

On September 2, 1944, the youngest aviator in the United States Navy had a near brush with death as his plane was hit by enemy fire over an island in the Pacific. As an eighteen year old, that pilot had left his family and the pleasures of youth to risk his life for love of country. He had put his country first -- first before his own welfare, first before his personal ambitions, first before his very life.

Throughout a lifetime of service to America, George Bush has never lost the devotion to duty that led him to take his turn in a bomber's cockpit and be hurled into a terrible conflict for the sake of his country and its cause. Nor has he forgotten the sacrifices made by all Americans who served their nation in war.

When Bill Clinton accepted his party's nomination, he made no mention of America's veterans or the suffering they endured on our behalf. His party's convention began with veterans parading the colors. But after that brief moment of attention, no further word was uttered for them. Perhaps, they were sent to the broom closet where the Democratic leadership of Congress was hidden.

But at the end of the Gulf War, at the moment of his greatest achievement, George Bush did not ask our acclaim for himself. He gave all the credit to America's sons and daughters who were the force behind Desert Storm.

Our victory in the Gulf also provided the President, and the American people an opportunity to say to the veterans of another war for whom there were no parades: welcome home, job well done. Those of us who fought in Vietnam will be forever grateful.

The American people stood with the President as he resisted the violent ambitions of Saddam Hussein. The Democrats, the ones who claim to be political visionaries, were the President's only critics. Angered at being proven so utterly wrong, they now seek to re-write the history of the President's finest hour. Lacking the courage of what few convictions they have, they attack the President to hide their own mistakes.

Such is the typical arrogance of liberals who, when they find themselves yet again in opposition to the people's will, always respond: "we know better than the people."

When they fail to convince us, they belittle us. They dismiss the President's accomplishments abroad as irrelevant to our nation's well-being, and not worthy of debate in our elections.

Tell that to the veterans of Desert Storm.

Does Clinton believe that the liberation of Eastern Europe, the collapse of the Soviet Union, the democratization of our own hemisphere, this global triumph of freedom have no consequences for Americans?

George Bush, tested in crisis and under fire, has helped secure a world in which our children need not sleep with the fear of nuclear annihilation; in which war will not so frequently claim the best of American generations; in which the American taxpayers' resources need not be drained to defend ourselves from a hostile superpower; in which nations can share the common values of free societies, and pursue together peace and prosperity.

With President Bush, we have a leader who demonstrates courage in action and leaves the false heroics to others. You cannot lead as courageously as George Bush has led us without a vision worthy of our great civilization. His vision is our vision; it is our faith in an idea, and idea which has now overcome the greatest tyrants in history.

Someone once defined genius as knowing one big thing. Such is the source of America's genius.

For when the Berlin Wall was breached, and communism quickly collapsed, we Americans were overjoyed but we were not entirely surprised. Because we Americans knew one big thing: we knew that walls are made of impermanent things, but the will to freedom is eternal.

There is a quote by the great writer, William Faulkner, which I have always admired: "I decline to accept the end of man," he wrote..."I believe that man will not merely endure; he will prevail. He is immortal, not because he alone among creatures has an inexhaustable voice, but because he has a soul, a spirit capable of compassion and sacrifice and endurance."

Today, on every continent, Faulkner's hopeful creed has been affirmed. Nearly half a billion people have emerged from communism and authoritarianism into a new age of enlightenment. No nation has contributed more to the global success of liberty than America. And no President has served this noble cause with greater courage and wisdom than President George Bush.

Permit me now to call the roll of nations which began their advance from tyranny to freedom since George Bush became the leader of the free world.

Russia
The Ukraine
Belarus
Moldova
Kazakhstan
Kyrgyzstan
Armenia
Georgia

Latvia
Lithuania
Estonia
Eastern Germany
Poland
Hungary
Czechoslovakia
Romania
Bulgaria
Albania
Slovenia
Croatia
Nicaragua
Panama
Paraguay
Chile
South Africa
Namibia
Angola
Mozambique
Nigeria
Benin
The Congo
Zambia
Ethiopia
Kuwait
Nepal
Bangladesh
Afghanistan
Cambodia
Mongolia

Bill Clinton and his Party would have us believe that the Iron Curtain collapsed by accident.

Tell that to the American people who have always had faith that their beliefs, values and unwavering love of freedom would someday prevail in the world.

Tell that to America's veterans. They know, better than most, that the triumph of freedom in the world today is a direct consequence of the blood shed by their compatriots on battlefields too numerous to mention. And they know it is the consequence of resolute American leadership, leadership of the quality provided by George Bush and Ronald Reagan.

No, it is no accident that thousands of Kuwaiti children born after February 1991 bear the name George.

It is no accident that China's brave students raised a statue of liberty in Tianenman Square to signify their common cause with the glorious cause that was the American revolution.

And it was no accident when a young Czech worker stood above a Prague Square, before a million of his countrymen, and read with simple dignity a manifesto; a manifesto that declared a new day for the peoples of Eastern Europe. But he began that new day with borrowed words, when, trembling with emotion, he proclaimed:

"We hold these truths to be self-evident. That all men are created equal and endowed by their Creator with certain inalienable rights' among these, life, liberty and the pursuit of happiness."