

Originally Processed With FOIA(s):

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Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13479
Folder ID Number: 13479-006

Folder Title:
Independent Insurance Agents of America Convention, 3/14/89 [2]

Stack:	Row:	Section:	Shelf:	Position:
G	25	6	1	6

Action: *Carole/jim*

WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/9/89 ACTION/CONCURRENCE/COMMENT DUE BY: 3/10/89 NOON

SUBJECT: PRESIDENTIAL REMARKS: INDEPENDENT INSURANCE AGENTS OF AMERICA

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>



REMARKS:

Please forward any comments to Chriss Winston, Rm. 122, x2930, by noon, Friday, March 10, 1989, with an info copy to my office. Thank you.

See note on p. 4

RESPONSE:

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

Davis/Dooley
March 9, 1989
Room 50
1989 MAR -9

INDEPENDENT INSURANCE AGENTS OF AMERICA
ANNUAL NATIONAL LEGISLATIVE CONFERENCE
CAPITOL HILTON, MARCH 14, 1989

Thank you.

It is truly an honor to appear before this group. In this city, the currency of status is measured in titles and honorifics -- senator, ambassador, secretary. But in my book, you hold one of the most impressive titles of all -- that of entrepreneur.

I know the hunger you feel to own a firm of your own, to start from scratch, to build it and watch it grow. I know the satisfaction of matching resources to needs, of meeting deadlines and meeting payrolls.

A few years after World War Two, I started my own business. It was a small firm, but not too small to teach me the facts of economic life. I got my start by taking a risk; and I got my education by making that company grow.

Our company was a high-risk venture. There was a new technology, unproven, full of half-starts and failures, called off-shore drilling. We took a gamble; we invested in that technology; and we succeeded in pioneering a new way to find America's energy. It wasn't always easy, even in the years we did well. I recall our despair when a hurricane hit our brand new rig on its first location -- and it disappeared.

But I learned some very important lessons. When that rig went down, people lost their jobs. When we rebuilt, people went back to work. I saw the strain on the faces of family breadwinners, and I saw the joy.

So Washington may not always appreciate the role of small business in creating jobs and keeping America competitive. But rest assured, there is one person in Washington who does, and he is your President . . .

I know that your industry is facing some controversy. I also know that you are looking into ways to voluntarily tighten your standards, and I salute you for that. After all, our nation's insurance industry plays a vital social role.

Without insurance, the loss of a spouse could mean the loss of a home. Without insurance, the loss of a parent could keep a child from attending college. We cannot offer protection against fate. But we can prevent the compounding of a tragedy, so that a death or an illness doesn't leave a bitter legacy of poverty and despair for a whole family.

You prevent that kind of double tragedy. You add a little bit of comfort to the grieving, a little predictability for those who are victims of the unpredictable.

This is your service to society. It is as crucial a service as that of any social welfare agency. And you cannot continue to perform it if your industry is hamstrung by excessive regulation.

Since we turned this economy around, two-thirds of the job creation has come from small businesses like yours. This is one reason America has created more new jobs in the 1980s than Japan and Western Europe combined.

The 8/11/73 report refers to
review of 119 inherited rules/reg.
@ initially, additional
reg. occurred, so
The total was
probably 150m
more

Another reason for this remarkable expansion is the way in which we removed excessive regulations, freeing the creative energies of small firms. By ordering a re-examination of more than 150 regulatory programs, the Task Force on Regulatory Relief, which I chaired as Vice President, saved the private sector more than 300 million man hours of paperwork and billions of dollars in government compliance cost. I will continue to work to keep you free from excessive regulation.

Change to
"hundreds of
millions of."
is backing off
the 300 million
figure

And when it comes to necessary regulation, I am committed to letting the states take the lead -- not the federal government .

I will also propose a cut in the capital gains tax. This is a uniquely American tax, since most of our trading partners do not tax long-term capital gains. A high capital gains tax unnecessarily hurts our competitive position by drying up the formation of capital, businesses and jobs. In 1978, when Congress cut the maximum tax rate on capital gains, the result was an explosion of new companies and new revenues.

Small businesses -- those with less than 500 employees -- employ more than half of U.S. workers. So any onerous new burden on small business will also throw workers out of their jobs.

It is for this reason that I will resist the movement toward mandated benefits . . . In an era of tight budgets, there is always the temptation to drop the burden of social programs on the backs of employers. But these programs, born of the best intentions, can have agonizing consequences.

It is up to business and labor to negotiate their differences. And make no mistake, I support the right of labor to negotiate as an equal. But mandated benefits serve neither business nor labor. Western Europe has gone down this road. And Western Europe has grappled with chronic high unemployment ever since.

And let me address one other area that concerns your business -- tort reform. Of course, there are many litigants who deserve a jury's sympathy. But when local governments cannot install playgrounds, when businesses are bankrupted, when volunteer organizations have to pull back, then it is time to consider limiting damages. Tort reform is critical to the health of businesses and volunteer organizations alike.

All of my policies are centered around a single goal -- to protect the engine of our prosperity and prepare our nation for the future. Without a strong private sector, our nation would be mired in the past, doomed to fail.

The entrepreneur is the man or the woman who is not only ready for change, but who relishes the thought of it. And this thought leads me to speak to you in more general terms, about my presidency, the challenges I hope to meet, the accomplishments I hope to make.

I am a man of this century. I fought in the century's greatest war, and raised a family and built a business during the mid-century of American greatness.

But I want to be a President who is remembered for preparing America for the next century. This is my entrepreneurial definition of leadership, to see the shape of things to come, and to prepare for that 21st Century world -- only eleven years away.

By the year 2000, we will have experienced change as swift and fast as a torrent. Change in the American family, and in our work habits. Change in technology. Change in the world economy. Change in the rate of change itself.

This remarkable nation of ours is complex, even enigmatic. But there is one American quality that is timeless and true. We are an entrepreneurial people, at our best when we are challenged, when we boldly face the future.

So my agenda is this: to confront the emerging problems of the future today. A complacent society is doomed to comfortable decline. A dynamic society is one that keeps pace with the times. So call it that, if you will -- the Dynamic Society. But recognize in the restless drive and vision of the American entrepreneur our best qualities as a nation.

A complacent nation would take comfort that America is free and the world is at peace. But world events are moving too swiftly for us to relax in set ways, to cling to smug assumptions.

The balance of power in Europe, the rise of regional superpowers in Asia, the increasingly interdependent world economy, the proliferation of offensive technology, and the much-debated nature of reform in the Soviet Union -- these are the areas that will irrevocably alter the world. And these are not minor matters. Will American foreign policy be flexible enough to meet this emerging new world order?

With this question in mind, I have asked all the appropriate agencies to reassess our foreign policy and defense strategy. This comprehensive review will set the basis of my future actions, and guide America into the next decade, and toward the next century.

On economic policy, I have submitted to the Congress the first presidential budget in many years that isn't "Dead-On-Arrival." I have also submitted a proposal to solve a festering problem that threatens our future prosperity -- a plan to restore the integrity of our nation's Savings and Loans institutions. I want to work with Congress to start to solve these problems this year, the sooner the better.

The changing nature of American society -- to one-parent families or to two working parents -- is putting pressure on our most basic social institution -- the family. How will we respond to this change? We simply cannot afford to create another entitlement program. That is why I am proposing a child-care plan that combines tax credits and private-sector resources to offer parents a choice. I want to empower parents, not government, to seek the best and the safest environment for their children.

There are many other areas of change. Homelessness concerns a small proportion of Americans. But when I look out a White House window and see the ragged pathetic figures huddled over the steam grates of the Ellipse, I also see an affront to the American Dream. We must seek the root causes of, and devise the most practical solutions for, homelessness.

The environment -- once the domain of activists, it is becoming a top priority of pinstriped diplomats. We must devise a global approach to the problems of ozone depletion and world deforestation.

Finally, I want to single out one area which, in so many ways, is pre-eminently important to our nation. I am sure it is of particular importance to your family. We must protect, and strengthen, our schools.

You and I know that education is our most enduring legacy. You and I know that education is nothing less than the very heart and soul of our civilization.

As we face a new decade and a new century beyond, we also face a new challenge -- to revitalize and restore the system our forebears bequeathed to us; to ensure American education is second to none.

I have made a number of proposals to work toward this goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement, while maintaining a safe and drug-free environment.

I have also asked for an annual fund of \$100 million in new appropriations to help create magnet schools to broaden the educational choices of parents and students. And I have made many other proposals, including programs to strengthen Historically Black Colleges and Universities, and to reward our best teachers.

I appeal to you to get active in your schools, to share your knowledge, expertise and resources where it is most needed.

I've laid out my agenda for you. True, it is an ambitious one. But it is no less ambitious, no less dynamic, than the American people. As businessmen and women, you can help me to fulfill this agenda, to meet the challenges that face our country. By working together, we can achieve anything.

Thank you.

#



Revised.
3:25 P.M.
3/10/89

March 10, 1989

MEMORANDUM FOR JIM CICONI

FROM; DENISE SCHWARZ
OFFICE OF CABINET AFFAIRS

SUBJECT; PRESIDENTIAL REMARKS; INDEPENDENT INSURANCE
AGENTS OF AMERICA
LOG #015341

We have reviewed the attached and have noted the comments on the attached.

Attachment

cc: Chriss Winston

WHITE HOUSE STAFFING MEMORANDUM

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SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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RESPONSE:
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shelaz
J.W. Cicconi

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

Davis/Dooley
March 9, 1989
noon 50
1989 MAR - 9

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ANNUAL NATIONAL LEGISLATIVE CONFERENCE
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Another reason for this remarkable expansion is the way in which we removed excessive regulations, freeing the creative energies of small firms. By ordering a re-examination of more than 150 regulatory programs, the Task Force on Regulatory Relief, which I chaired as Vice President, saved the private sector more than 300 million man hours of paperwork and billions of dollars in government compliance cost. I will continue to work to keep you free from excessive regulation.

And when it comes to necessary regulation, I am committed to letting the states take the lead -- not the federal government . . .

I will also propose a cut in the capital gains tax. ^{Our taxing capital gains just as if they were wages or dividends or interest is} ~~this is~~ a uniquely American, ~~tax~~, since ^{none} ~~most~~ of our ^{major} trading partners do fully ~~not~~ tax long-term capital gains. A high capital gains tax unnecessarily hurts our competitive position by drying up the formation of capital, businesses and jobs. In 1978, when Congress cut the maximum tax rate on capital gains, the result was an explosion of new companies and new revenues.

Small businesses ~~thousands~~ with less than 500 employees ~~th~~ employ more than half of U.S. workers. So any onerous new burden on small business will also throw workers out of their jobs.

It is for this reason that I will resist the movement toward mandated ^{employee} benefits . . . In an era of tight budgets, there is always the temptation to drop the burden of social programs on the backs of employers. But these programs, born of the best intentions, can have agonizing consequences.

It is up to business and labor to negotiate their differences. And make no mistake, I support the right of labor to negotiate as an equal. But mandated benefits serve neither business nor labor. Western Europe has gone down this road. And Western Europe has grappled with chronic high unemployment ever since.

And let me address one other area that concerns your business -- tort reform. Of course, there are many litigants who deserve a jury's sympathy. But when local governments cannot install playgrounds, when businesses are bankrupted, when volunteer organization have to pull back, then it is time to consider limiting damages. Tort reform is critical to the health of businesses and volunteer organizations alike.

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I have made a number of proposals to work toward this goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement, while maintaining a safe and drug-free environment.

I have also asked for an annual fund of \$100 million in new appropriations to help create magnet schools to broaden the educational choices of parents and students. And I have made many other proposals, including programs to strengthen Historically Black Colleges and Universities, and to reward our best teachers.

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pride *(Holt 5174)*
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Hole
9/78

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Holzer 5/18 • • something is missing (transition)

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The entrepreneur is the man or the woman who is not only ready for change, but who relishes the thought of it. And this thought leads me to speak to you in more general terms, about my presidency, the challenges I hope to meet, the accomplishments I hope to make.

I am a man of this century. I fought in [?] the century's ^{Holck 5128} greatest war, and raised a family and built a business during the mid-century of American greatness. [?]

But I want to be a President who is remembered for preparing America for the next century. This is my entrepreneurial definition of leadership, to see the shape of things to come, and to prepare for that 21st Century world -- only eleven years away.

By the year 2000, we will have experienced change as swift and fast as a torrent. Change in the American family, and in our work habits. Change in technology. Change in the world economy. Change in the rate of change itself. ^{Holck 5128}

This remarkable nation of ours is complex, even enigmatic. But there is one American quality that is timeless and true. We are an entrepreneurial people, at our best when we are challenged, ^{and} when we boldly face the future.

So my agenda is this: to confront the emerging problems of the future today. A complacent society is doomed to comfortable decline. A dynamic society is one that keeps pace with the times. So call it that, if you will -- the Dynamic Society. But recognize in the restless drive and vision of the American entrepreneur our best qualities as a nation.

A complacent nation would take comfort that America is free and the world is at peace. But world events are moving too swiftly for us to relax in set ways, to cling to smug assumptions.

The balance of power in Europe, the rise of regional superpowers in Asia, the increasingly interdependent world economy, the proliferation of offensive technology, and the much-debated nature of reform in the Soviet Union -- these are the areas that will irrevocably alter the world. And these are not minor matters. Will American foreign policy be flexible enough to meet this emerging new world order?

With this question in mind, I have asked all the appropriate agencies to reassess our foreign policy and defense strategy. This comprehensive review will set the basis of my future actions, and guide America into the next decade, and toward the next century.

On economic policy, I have submitted to the Congress the first presidential budget in many years that isn't "Dead-On-Arrival." I have also submitted a proposal to solve a festering problem that threatens our future prosperity -- a plan to restore the integrity of our nation's Savings and Loans institutions. I want to work with Congress to start to solve this problems this year, the sooner the better.

The changing nature of American society -- to one-parent ^{more} families ~~or to two~~ working parents -- is putting pressure on our most basic social institution -- the family. How will we respond to this change? We simply cannot afford to create another entitlement program. That is why I am proposing a child-care plan that combines tax credits and private-sector resources to offer parents a choice. I want to empower parents, not government, to seek the best and the safest environment for their children.

don't imply approval

There are many other areas of change. Homelessness concerns a small proportion of Americans. But when I look out a White House window and see the ragged pathetic figures huddled over the steam grates of the Ellipse, I also see an affront to the American Dream. We must seek the root causes of, and devise the most practical solutions for, homelessness.

The environment -- once the domain of activists, it is becoming a top priority of pinstriped diplomats. We must devise a global approach to the problems of ozone depletion and world deforestation.

Finally, I want to single out one area which, in so many ways, is pre-eminently important to our nation. I am sure it is of particular importance to your family. We must protect, and strengthen, our schools.

You and I know that education is our most enduring legacy. You and I know that education is nothing less than the very heart and soul of our civilization.

As we face a new decade and a new century beyond, we also face a new challenge -- to revitalize and restore the system our forebears bequeathed to us; to ensure American education is second to none.

I have made a number of proposals to work toward this goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement, while maintaining a safe and drug-free environment.

I have also asked for an annual ^{ing} fund of \$100 million in new appropriations to help create magnet schools to broaden the educational choices of parents and students. And I have made many other proposals, including programs to strengthen Historically Black Colleges and Universities, and to reward our best teachers.

I appeal to you to get active in your schools, to share your knowledge, expertise and resources where it is most needed.

I've laid out my agenda for you. True, it is an ambitious one. But it is no less ambitious, no less dynamic, than the American people. As businessmen and women, you can help me to fulfill this agenda, to meet the challenges that face our country. By working together, we can achieve anything.

Thank you.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/9/89 ACTION/CONCURRENCE/COMMENT DUE BY: 3/10/89 NOON

SUBJECT: PRESIDENTIAL REMARKS: INDEPENDENT INSURANCE AGENTS OF AMERICA

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Please forward any comments to Chriss Winston, Rm. 122, x2930, by noon, Friday, March 10, 1989, with an info copy to my office. Thank you.

RESPONSE: *Okay*

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/9/89 ACTION/CONCURRENCE/COMMENT DUE BY: 3/10/89 NOON

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SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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This is hitting the mark.

RESPONSE: *XW*

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

Davis/Dooley
March 9, 1989
noon 50
1989 MAR -3

INDEPENDENT INSURANCE AGENTS OF AMERICA
ANNUAL NATIONAL LEGISLATIVE CONFERENCE
CAPITOL HILTON, MARCH 14, 1989

Thank you.

It is truly an honor to appear before this group. In this city, the currency of status is measured in titles and honorifics -- senator, ambassador, secretary. But in my book, you hold one of the most impressive titles of all -- that of entrepreneur.

I know the hunger you feel to own a firm of your own, to start from scratch, to build it and watch it grow. I know the satisfaction of matching resources to needs, of meeting deadlines and meeting payrolls.

A few years after World War Two, I started my own business. It was a small firm, but not too small to teach me the facts of economic life. I got my start by taking a risk; and I got my education by making that company grow.

Our company was a high-risk venture. There was a new technology, unproven, full of half-starts and failures, called off-shore drilling. We took a gamble; we invested in that technology; and we succeeded in pioneering a new way to find America's energy. It wasn't always easy, even in the years we did well. I recall our despair when a hurricane hit our brand new rig on its first location -- and it disappeared.

But I learned some very important lessons. When that rig went down, people lost their jobs. When we rebuilt, people went back to work. I saw the strain on the faces of family breadwinners, and I saw the joy.

So Washington may not always appreciate the role of small business in creating jobs and keeping America competitive. But rest assured, there is one person in Washington who does, and he is your President . . .

I know that your industry is facing some controversy. I also know that you are looking into ways to voluntarily tighten your standards, and I salute you for that. After all, our nation's insurance industry plays a vital social role.

Without insurance, the loss of a spouse could mean the loss of a home. Without insurance, the loss of a parent could keep a child from attending college. We cannot offer protection against fate. But we can prevent the compounding of a tragedy, so that a death or an illness doesn't leave a bitter legacy of poverty and despair for a whole family.

You prevent that kind of double tragedy. You add a little bit of comfort to the grieving, a little predictability for those who are victims of the unpredictable.

This is your service to society. It is as crucial a service as that of any social welfare agency. And you cannot continue to perform it if your industry is hamstrung by excessive regulation.

Since we turned this economy around, two-thirds of the job creation has come from small businesses like yours. This is one reason America has created more new jobs in the 1980s than Japan and Western Europe combined.

Another reason for this remarkable expansion is the way in which we removed excessive regulations, freeing the creative energies of small firms. By ordering a re-examination of more than 150 regulatory programs, the Task Force on Regulatory Relief, which I chaired as Vice President, saved the private sector more than 300 million man hours of paperwork and billions of dollars in government compliance cost. I will continue to work to keep you free from excessive regulation.

And when it comes to necessary regulation *in your business* I am committed to letting the states take the lead -- not the federal government .

I will also propose a cut in the capital gains tax. This is a uniquely American tax, since most of our trading partners do not tax long-term capital gains. A high capital gains tax unnecessarily hurts our competitive position by drying up the formation of capital, businesses and jobs. In 1978, when Congress cut the maximum tax rate on capital gains, the result was an explosion of new companies and new revenues.

Small businesses -- those with less than 500 employees -- employ more than half of U.S. workers. So any onerous new burden on small business will also throw workers out of their jobs.

It is for this reason that I will resist the movement toward mandated benefits . . . In an era of tight budgets, there is always the temptation to drop the burden of social programs on the backs of employers. But these programs, born of the best intentions, can have agonizing consequences.

It is up to business and labor to negotiate their differences. And make no mistake, I support the right of labor to negotiate as an equal. But mandated benefits serve neither business nor labor. Western Europe has gone down this road. And Western Europe has grappled with chronic high unemployment ever since.

And let me address one other area that concerns your business -- tort reform. Of course, there are many litigants who deserve a jury's sympathy. But when local governments cannot install playgrounds, when businesses are bankrupted, when volunteer organizations have to pull back, then it is time to consider limiting damages. Tort reform is critical to the health of businesses and volunteer organizations alike.

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I have also asked for an annual fund of \$100 million in new appropriations to help create magnet schools to broaden the educational choices of parents and students. And I have made many other proposals, including programs to strengthen Historically Black Colleges and Universities, and to reward our best teachers.

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Thank you.

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THE WHITE HOUSE

WASHINGTON

March 10, 1989

Memorandum to Chriss Winston

From: Roger B. Porter
James P. Pinkerton

Re: Comments on Junior Achievement, B'nai B'rith,
Derwinski, Attorneys General, Insurance Agents
drafts

A general comment on the drafts: If we are serious about our message of "Building a Better America," then we should state our message. We can't count on anyone else to carry our line if we won't do it ourselves. Ideally, all these speeches should include the phrase "Building A Better America."

Junior Achievement

Overall, a good speech. But the pitch for the President's program doesn't kick in until p.7. Again, there's no effort to ask these people -- renowned for their pep and enthusiasm -- for their help. We need a more imperative voice. The phrase "Building A Better America" should be included since it's our overall theme.

p.2, para. 4: Since this is the paragraph on voluntarism, we suggest including a specific reference to YES.

p.3, para. 1: "In your hands, economics is anything but as some call 'the dismal science.'" Change to: "In your creative hands, economics is anything but the 'dismal science' that some have called it."

p.8, para. 4: "...a system that gives ingenuity free reign" -- "reign" should be "rein." Obviously nobody in the audience will notice, but a reader will.

B'nai B'rith

p.2, para. 4: We must be careful about over-using the words "tolerance" and "intolerance." We used the phrase "intolerance" in the DEA speech and we have spoken repeatedly of "Zero Tolerance." We're tying many meanings and inferences around "tolerance."

When you overload a word with too many messages you sometimes wind up in trouble, as in the President's fumble over the phrase "anti-bigotry, anti-racism, and anti-semitism" in the campaign. We would draw the line right here and turn this negative-sounding sentence into a positive, e.g. "This nation must stand for tolerance, pluralism, and a healthy respect for the rights of all minorities."

Derwinski

p.1, para. 3: Change "bronzed giant," which sounds like a cross between Nietzsche and George Hamilton, to "Jefferson commands our respect: a bronze giant..."

p.2, para. 2: "...is now cast for the ages in bronze." We'd delete "in bronze" at the end of this sentence if we use "bronze giant" above.

p.2, para. 4: "a somber salute to those who fell, and all who answered the call to duty." We would add "to" after the "and." The sentence should now read "and to all who answered the call...."

P. 3, para. 2: "speeches and stone" sounds somewhat cold. We suggest a change to "speeches and statuary," which sounds more generous.

p.3, para. 3: This graf is a non-sequitur from the previous graf: we go from talking about how speeches and stone/statuary are an inadequate repayment, to this paragraph which starts "But that doesn't free us of obligation."

You can't be freed of an obligation by an inadequate repayment. As we move from talking about past debts to current concerns we need a sentence that tracks the logic of what we're saying. I'd change to: "Our obligation is also to the living."

In the second sentence of this graf, the word "entrance" is misspelled.

p.7, para. 1: "...We will never again need to erect another monument to the casualties of war." Strictly speaking, we don't just erect monuments to the casualties of war.

We would change to "...erect another monument to the men and women who protect us and uphold our liberties." We need to demonstrate some sensitivity to the current composition of the armed forces. Note, for example, that the previous page uses the term "airman." This is fine, in view of the demographics of the armies of yesterday. But we need to demonstrate our understanding that times have changed. Thus, our preference for using "men and women" here.

Attorneys General

The President needs to throw a bipartisan bear-hug around these law enforcers based on a common commitment to a stern, no-nonsense struggle against drug abuse and environmental degradation. Thus, a phrase like "kindred spirits" in the third line, and a conclusion like "Let me now turn this party [emphasis added] over to Bill Reilly" evinces a lackadaisical tone unbecoming a President who is dead serious about winning the war on drugs.

p.1, para. 2: "Kindred spirits:" We prefer "fellow warriors" or "fellow soldiers" or something tougher and less convivial than "kindred spirits" in a speech on drugs and cleaning up the environment.

p.2, para. 4: Change "This government will" to the more emphatic "I will."

p.3, para. 1: Change "Bill Reilly will give you his thinking on the environment" to "Bill Reilly will outline in detail our agenda on the environment." If we agree on the need for a more martial overall tone, then we should consider a word like "strategy" in place of "agenda."

Similarly, in the following sentence of that paragraph, we'd change "You will certainly find him...to be an outstanding ally" to "You will certainly find him...to be an outstanding ally and a fellow warrior" or "and a fellow soldier in the struggle."

p.3, para. 2: This should read "turn your attention to and enlist your support for." The current "turn your attention -- and enlist your support -- on another pervasive problem" doesn't parse.

p.3, para. 5: "budget ... not ... d.o.a." -- We're asking for trouble with this complacent, back-patting phrase. We should stop citing an "achievement" that can be stripped away from us in an instant by some sharp-tongued Democrat. The whole graf should read as follows:

"The budget I presented to Congress last month is a realistic, fiscally responsible plan that identifies key priorities requiring our immediate attention. One of these priorities is combating the scourge of drugs. That's why I'm asking for an increase of \$1 billion for our anti-drug program. That's a 47 percent increase over 1988, for a total of \$6 billion."

p.4, para. 5: Instead of "Let me encourage you" etc., we would make it more imperative: "I ask you to study your drug enforcement programs. How can they help reduce demand for drugs? Less demand means more success in the war on drugs."

p.4, para. 6: We would make the first sentence more positive and ambitious: "Our financial resources may be limited but our resolve is unlimited." Then add: "With that limitless resolution, I know that we can inspire every child, teacher, and parent; every community group, religious institution, and tenant association; and every business and professional organization in this country. And then, united in common resolve, we will truly be invincible."

And then we suggest adding a Rooseveltian clincher:

"As I have said before, we have more will than wallet. However, the only limits on our will are those limits we place on ourselves."

Note that our rewrite version avoids the phrase "hearts and minds." Anyone who lived through Vietnam remembers the ironic and cynical connotation that phrase took on.

p.5, para. 4: Again, "Let me now turn this party over to Bill Reilly" is simply too light-hearted for this grim subject. In keeping with a more substantive tone, get the job done with simply "Let me now introduce."

Insurance Agents

p. 2, para. 4: This allusory graf contributes nothing to the President's agenda. We think it should be deleted outright.

p.3, para. 3: It seems to us that we should follow this graf with p.4, para. 1 immediately instead of detouring into job creation.

p.4, para. 3: Here we are about to launch into selling our program -- but we don't mention it by name: Building A Better America.

We need a paragraph that establishes an umbrella theme for the speech -- something reminiscent of the following, taken from the 2/9 speech: "But I am presenting to you tonight a realistic plan for tackling [the budget deficit]. My plan has four broad features: Attention to urgent priorities, investment in the future, an attack on the deficit, and no new taxes."

Before we launch into a long list of agenda items we should wrap it into an overriding theme -- Building A Better America.

p.5, para. 1: "It is for this reason that I will resist the movement toward mandated benefits." "Resist" has a footdragging quality to it. We want to communicate the idea that we will not just "resist," but will in fact block the move toward mandated benefits. Therefore we would substitute the word "oppose."

The last sentence of this graf reads: "But these programs, born of the best intentions, can have agonizing consequences." The word "agonizing" implies an unresolved dilemma. We would change to "can have unintended and counterproductive consequences."

Better yet, we could add another layer of anti-mandated benefits argument, as follows:

Insert A
"We have seen what happens in other countries where mandated benefit programs create obstacles to productivity and growth. We cannot Build a Better America if we weigh down our production sector with new burdens."

p.5, para. 3: "But when local governments cannot install playgrounds, when business are bankrupted, when volunteer organization have to pull back" -- I would add "when mothers struggle to find an obstetrician," -- and "volunteer organization" should be plural.

p.5, para. 4: "All of my policies are centered around a single goal --" We'd change to "My plan for Building a Better America is centered around..."

p.7, para. 1: "So my agenda is this: to confront the emerging problems of the future today." We'd add "and to invest in the future."

p.7, para. 3: Change the word "areas" in "these are the areas that will irrevocably alter the world" to "trends" -- and in the next sentence: "Will American foreign policy be flexible enough to meet this emerging new world order?" the word "flexible" by itself looks weak. Flexibility is a virtue but it should be coupled with vision. We'd rewrite to say "wise enough, creative enough, and flexible enough...."

p.8, para. 1: Again, the term "Dead-On-Arrival" just begs for some Democrat to take it away from us. We suggest using language similar to what we suggested in the Attorneys General speech (pg. 3 of this memo).

p.8, para. 3: "Homelessness concerns a small proportion of Americans." We'd change to "Homelessness afflicts a small number of Americans but concerns all of us."

p.9, para. 1: "The environment -- once the domain of activists, it is becoming a top priority of pinstriped diplomats."

As is written here, "activists" appears to be pejorative. "Pinstriped" is also pejorative, the adjective of choice for critics of the State Department.

We would reverse the logic from pejorative to complementary and also omit "domain," which sounds both parochial and territorial. Instead, we suggest the President throw a bouquet to his fellow environmentalists: "Once the concern of a far-sighted few, it is now a top priority of my Administration, at home and abroad."

p.10, para. 3: "I've laid out my agenda for you." Change to "I've laid out my agenda for Building a Better America."

#

THE WHITE HOUSE

WASHINGTON

March 10, 1989

MEMORANDUM FOR CHRISS WINSTON
DEPUTY ASSISTANT TO THE PRESIDENT
FOR COMMUNICATIONS

FROM: NELSON LUND *NL*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: Independent Insurance
Agents of America

At the request of James W. Cicconi, Counsel's Office has reviewed the captioned draft remarks. We have no legal objections.

We note, however, that the first sentence of the third paragraph on page 4 says that the President "will also propose a cut in the capital gains tax." Since he has already made this proposal repeatedly, we suggest that the sentence be modified. In addition, the second sentence in the same paragraph characterizes the capital gains tax as "uniquely American," which seems inconsistent with the next following assertion, viz. that "most of our trading partners do not tax long-term capital gains."

We appreciate the opportunity to review these draft remarks.

Attachment

cc: James W. Cicconi
Assistant to the President and
Deputy to the Chief of Staff

Davis/Dooley
March 9, 1989
noon

INDEPENDENT INSURANCE AGENTS OF AMERICA
ANNUAL NATIONAL LEGISLATIVE CONFERENCE
CAPITOL HILTON, MARCH 14, 1989

Thank you.

It is truly an honor to appear before this group. In this city, the currency of status is measured in titles and honorifics -- senator, ambassador, secretary. But in my book, you hold one of the most impressive titles of all -- that of entrepreneur.

I know the hunger you feel to own a firm of your own, to start from scratch, to build it and watch it grow. I know the satisfaction of matching resources to needs, of meeting deadlines and meeting payrolls.

A few years after World War Two, I started my own business. It was a small firm, but not too small to teach me the facts of economic life. I got my start by taking a risk; and I got my education by making that company grow.

Our company was a high-risk venture. There was a new technology, unproven, full of half-starts and failures, called off-shore drilling. We took a gamble; we invested in that technology; and we succeeded in pioneering a new way to find America's energy. It wasn't always easy, even in the years we did well. I recall our despair when a hurricane hit our brand new rig on its first location -- and it disappeared.

But I learned some very important lessons. When that rig went down, people lost their jobs. When we rebuilt, people went back to work. I saw the strain on the faces of family breadwinners, and I saw the joy.

So Washington may not always appreciate the role of small business in creating jobs and keeping America competitive. But rest assured, there is one person in Washington who does, and he is your President . . .

I know that your industry is facing some controversy. I also know that you are looking into ways to voluntarily tighten your standards, and I salute you for that. After all, our nation's insurance industry plays a vital social role.

Without insurance, the loss of a spouse could mean the loss of a home. Without insurance, the loss of a parent could keep a child from attending college. We cannot offer protection against fate. But we can prevent the compounding of a tragedy, so that a death or an illness doesn't leave a bitter legacy of poverty and despair for a whole family.

You prevent that kind of double tragedy. You add a little bit of comfort to the grieving, a little predictability for those who are victims of the unpredictable.

This is your service to society. It is as crucial a service as that of any social welfare agency. And you cannot continue to perform it if your industry is hamstrung by excessive regulation.

Since we turned this economy around, two-thirds of the job creation has come from small businesses like yours. This is one reason America has created more new jobs in the 1980s than Japan and Western Europe combined.

Another reason for this remarkable expansion is the way in which we removed excessive regulations, freeing the creative energies of small firms. By ordering a re-examination of more than 150 regulatory programs, the Task Force on Regulatory Relief, which I chaired as Vice President, saved the private sector more than 300 million man hours of paperwork and billions of dollars in government compliance cost. I will continue to work to keep you free from excessive regulation.

And when it comes to necessary regulation, I am committed to letting the states take the lead -- not the federal government .

. . .

I will also propose a cut in the capital gains tax. This is a uniquely American tax, since most of our trading partners do not tax long-term capital gains. A high capital gains tax unnecessarily hurts our competitive position by drying up the formation of capital, businesses and jobs. In 1978, when Congress cut the maximum tax rate on capital gains, the result was an explosion of new companies and new revenues.

Small businesses -- those with less than 500 employees -- employ more than half of U.S. workers. So any onerous new burden on small business will also throw workers out of their jobs.

It is for this reason that I will resist the movement toward mandated benefits . . . In an era of tight budgets, there is always the temptation to drop the burden of social programs on the backs of employers. But these programs, born of the best intentions, can have agonizing consequences.

It is up to business and labor to negotiate their differences. And make no mistake, I support the right of labor to negotiate as an equal. But mandated benefits serve neither business nor labor. Western Europe has gone down this road. And Western Europe has grappled with chronic high unemployment ever since.

And let me address one other area that concerns your business -- tort reform. Of course, there are many litigants who deserve a jury's sympathy. But when local governments cannot install playgrounds, when businesses are bankrupted, when volunteer organization have to pull back, then it is time to consider limiting damages. Tort reform is critical to the health of businesses and volunteer organizations alike.

All of my policies are centered around a single goal -- to protect the engine of our prosperity and prepare our nation for the future. Without a strong private sector, our nation would be mired in the past, doomed to fail.

The entrepreneur is the man or the woman who is not only ready for change, but who relishes the thought of it. And this thought leads me to speak to you in more general terms, about my presidency, the challenges I hope to meet, the accomplishments I hope to make.

I am a man of this century. I fought in the century's greatest war, and raised a family and built a business during the mid-century of American greatness.

But I want to be a President who is remembered for preparing America for the next century. This is my entrepreneurial definition of leadership, to see the shape of things to come, and to prepare for that 21st Century world -- only eleven years away.

By the year 2000, we will have experienced change as swift and fast as a torrent. Change in the American family, and in our work habits. Change in technology. Change in the world economy. Change in the rate of change itself.

This remarkable nation of ours is complex, even enigmatic. But there is one American quality that is timeless and true. We are an entrepreneurial people, at our best when we are challenged, when we boldly face the future.

So my agenda is this: to confront the emerging problems of the future today. A complacent society is doomed to comfortable decline. A dynamic society is one that keeps pace with the times. So call it that, if you will -- the Dynamic Society. But recognize in the restless drive and vision of the American entrepreneur our best qualities as a nation.

A complacent nation would take comfort that America is free and the world is at peace. But world events are moving too swiftly for us to relax in set ways, to cling to smug assumptions.

The balance of power in Europe, the rise of regional superpowers in Asia, the increasingly interdependent world economy, the proliferation of offensive technology, and the much-debated nature of reform in the Soviet Union -- these are the areas that will irrevocably alter the world. And these are not minor matters. Will American foreign policy be flexible enough to meet this emerging new world order?

With this question in mind, I have asked all the appropriate agencies to reassess our foreign policy and defense strategy. This comprehensive review will set the basis of my future actions, and guide America into the next decade, and toward the next century.

On economic policy, I have submitted to the Congress the first presidential budget in many years that isn't "Dead-On-Arrival." I have also submitted a proposal to solve a festering problem that threatens our future prosperity -- a plan to restore the integrity of our nation's Savings and Loans institutions. I want to work with Congress to start to solve these problems this year, the sooner the better.

The changing nature of American society -- to one-parent families or to two working parents -- is putting pressure on our most basic social institution -- the family. How will we respond to this change? We simply cannot afford to create another entitlement program. That is why I am proposing a child-care plan that combines tax credits and private-sector resources to offer parents a choice. I want to empower parents, not government, to seek the best and the safest environment for their children.

There are many other areas of change. Homelessness concerns a small proportion of Americans. But when I look out a White House window and see the ragged pathetic figures huddled over the steam grates of the Ellipse, I also see an affront to the American Dream. We must seek the root causes of, and devise the most practical solutions for, homelessness.

The environment -- once the domain of activists, it is becoming a top priority of pinstriped diplomats. We must devise a global approach to the problems of ozone depletion and world deforestation.

Finally, I want to single out one area which, in so many ways, is pre-eminently important to our nation. I am sure it is of particular importance to your family. We must protect, and strengthen, our schools.

You and I know that education is our most enduring legacy. You and I know that education is nothing less than the very heart and soul of our civilization.

As we face a new decade and a new century beyond, we also face a new challenge -- to revitalize and restore the system our forebears bequeathed to us; to ensure American education is second to none.

I have made a number of proposals to work toward this goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement, while maintaining a safe and drug-free environment.

I have also asked for an annual fund of \$100 million in new appropriations to help create magnet schools to broaden the educational choices of parents and students. And I have made many other proposals, including programs to strengthen Historically Black Colleges and Universities, and to reward our best teachers.

I appeal to you to get active in your schools, to share your knowledge, expertise and resources where it is most needed.

I've laid out my agenda for you. True, it is an ambitious one. But it is no less ambitious, no less dynamic, than the American people. As businessmen and women, you can help me to fulfill this agenda, to meet the challenges that face our country. By working together, we can achieve anything.

Thank you.

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