

Originally Processed With FOIA(s):

FOIA Number:

S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

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: 13479-011

Folder Title:
Houston Forum, 3/16/89 [1]

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

THE WHITE HOUSE

Office of the Press Secretary
(Houston, Texas)

For Immediate Release

March 16, 1989

REMARKS BY THE PRESIDENT
TO FORUM CLUB OF HOUSTON

George R. Brown Convention Center
Houston, Texas

12:30 P.M. CST

THE PRESIDENT: Well, thank you all for that warm welcome back, and thank you, Dick, for the introduction, sir. I want to thank you and Dick Johnson for putting this little lunch together. I never saw such a wonderful crowd. They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth and come back home to Houston.

And I'm very pleased to be here. This is my first trip back to the state since taking the oath of office some 55, 56 days ago. My mind raced back as I was coming in on beautiful Air Force One to about 29 years ago, approximately -- saw the Medical Center, and Barbara, I recall, was there awaiting the birth of our daughter, Dorothy. And now Barbara is not here. She's not expecting, but our dog is. (Laughter.) And I think her priorities may be slightly askewed, but she doesn't. (Laughter.)

But, in any event, I am pleased to be back at this Forum Club, which has really contributed so much to the public debate on the important issues of the day. And I am delighted that Bob Mosbacher is with me -- a past president of the Forum Club, now handling a difficult assignment there as Secretary of Commerce -- not surprisingly for those who know him, and that's most of the people in this room -- doing a superb job. And let me just say this -- it's nice to have a person at Commerce who understands first-hand what it means to have built a business, to take risks, who understands what -- that excessive regulation can be counterproductive in terms of job creation in this country. And also on a very personal side, it is very nice to have someone who you can kick your shoes off with and discuss the problems of the moment. So I'm delighted that he's here with us today, and you should all be proud of the job he is doing. (Applause.)

In addition to Dick O'Shields and Dick Johnson, I want to thank Judge Lindsey, Mayor Kathy Whitmeyer, and Lee Hogan for being here and welcoming me.

billion in new revenue in 1990. You don't touch the tax structure, and you have \$80 billion more in revenues to the federal government. We can stay on track to meet these Gramm-Rudman targets -- and we can do it without raising the taxes on the working man and woman of this country. (Applause.) The key to building a better America is realistic, it's a realistic and workable budget, like the one we sent up to the Congress five weeks ago.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets. And, frankly, it isn't just Latin America. Take a look at Africa; take a look at Eastern Europe. Other countries have staggering debt problems. And we of the United States have to take the lead, and, indeed, under the Brady ideas at the end of last week, we have stepped out to take the lead in trying to bring some solution to that very complex problem.

We're waging a war on drug abuse on every front, just gearing up now with our new drug czar in place. More effective education and awareness efforts to dry up the demand for illegal drugs, tougher law enforcement and interdiction to cut off suppliers and put the dealers behind bars where they belong.

It's not going to be done just by the federal government. I want to -- I might say parenthetically -- that I do want to find a solution to the so-called AK-47 assault weapon problem, one that protects the rights of the legitimate sportsman, but also protects the lives of our police officers who are laying their lives on the line for us every single day. (Applause.) But as I say, this problem isn't a problem just for the federal government. I know that some may know the phrase, "a thousand points of light." In Washington, one wag called it "a thousand pints of Lite," and I was a little -- took umbrage with that. But I'm going to keep talking about "a thousand points of light" because it is this spirit, volunteer spirit of American helping American that really has the most to do about solving this drug problem. And I salute Houston, with Houston Crackdown, a program that is such an effort of elected officials joining leaders in the community and education and labor and business and whatever to do something about this.

Another problem, we're working to establish a six-month training wage as part of a package that raises the minimum wage from \$3.35 to \$4.25 an hour. And let me be clear and send this message to those members of Congress that might be tuned in, \$4.25 is my first, and last, offer. There will be no compromise on that figure. Anything higher will actually cost jobs by raising costs for many employers and will have an adverse affect on inflation and on productivity. A training wage does just the opposite. It provides the now jobless, especially youth and minorities, a chance, a hand-hold on the economic ladder, a means of moving up.

And we're working on a serious problem that Texans are aware of -- the threat to our financial system that's posed by insolvent savings and loans. Less than three weeks after taking office, we were faced with the enormity of this problem, and I announced a comprehensive set of proposals to take effective action

received, and I want to see that bill passed with its central provisions intact within the 45-day timeframe which I have challenged Congress to act upon. And there's no excuse for delay. (Applause.)

Once the legislation is enacted, we must turn our attention to careful and responsible handling of the assets of the failed S&Ls. Let me be clear on a key point -- insured depositors -- those across our great state and across this country whose deposits are insured are not at risk. They are fully protected and will continue to be fully protected by federal guarantees. Our solution must ensure the least possible disruption to local markets and, at the same time, keep costs to a minimum. And let me say clearly, we must see to it that those S&L officials guilty of criminal actions are pursued and punished for the losses that they've caused.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're trying to do just exactly that. These are by no means the only issues that demand leadership and prompt action. We're entering the 1990s, a horizon decade, threshold to a whole new century.

For people my age, and for people a good deal younger, the 21st century has been the place in our minds that we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. The 21st century was just another name for a future that seemed as distant as a voyage to the moon. Here in Houston, we have a better sense of how we can cover that distance and transform a distant future into our destiny.

The truth is the 21st century isn't far away at all. I graduated from school in the class of 1942. Our first graders today will be the class of 2000. The 21st century is here -- in our kids. The essential question today -- what are we doing to prepare for the new world that begins 11 short years from now? And that's what my agenda is all about. Building a better America means laying the foundations today for the kind of future that we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. As I look at the fabric of society, and then look at the instability of family relationships, I see a real threat to our future. And so a President -- this President, at least, should have everything he does be guided by how do we strengthen the American family, or put it in reverse -- how do we keep from weakening the fabric of our society that is represented by the family. (Applause.)

Preparing our future means taking a long-range look at the international landscape to determine what policies and approaches will keep us free, prosperous and at peace in the 21st century, as we are today. And speaking of freedom, it means formulating a multisource energy policy -- multisource energy policy -- that, in the long run will make us less dependent on the oil

the Congress to join with me on this -- to spur the entrepreneurial activity that means new products, new industries and new jobs. (Applause.) I've been hit in the political arena on this one, saying this is a tax cut for the rich. No such thing. It is opportunity and hope for those that want a job and don't have a job. And that's what this capital gains tax differential will do, if we can get the Congress to promptly move forward.

Free enterprise is the engine of growth that can lead us into the next century. And it's up to the government to maintain a climate that is hospitable to growth, competitiveness, productive investment, one that gives free enterprise as much free rein as possible. And by the way, that capital gains tax differential I talked about will bring in, in one year alone -- estimate of the Department of the Treasury -- will bring in in one year alone, \$4.8 billion dollars more in new revenue if we go forward and enact what I am calling on the Congress to do.

To prepare for the future, we must protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States, on our own and more and more in concert with other nations, must make a clean environment a top priority. And what I've done so far is show that this isn't talk -- we are taking action, and incidentally -- maybe some of you saw it -- this morning I talked to the astronauts -- the Discovery group up there in outer space, and the need to act -- for us to all act on the environment -- was brought home to me again today when in the Oval Office I found myself talking to that space ship and hearing from the crew that from their very special vantage point, looking down on planet Earth, the need was very clear to those five people that we must protect the global environment. (Applause.)

To prepare for the future, we must encourage and improve education. We must recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals for teachers, schools, and our nation's best young science scholars will reward the best and encourage others then to follow their example. Our National Science Scholarships alone will provide 570 top students up to \$10,000 a year to attend the college of their choice.

And we can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools and that will serve as a powerful incentive for schools to improve their performance. This has been tested and tried, and it works. And that's why I've urged Congress to provide \$100 million to help with the startup costs for new magnet schools.

Preparing for the future means confronting the changing nature of our society. What are we doing in the age of the single parent and the two-career household to help the family survive and prosper? I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family, giving

dollars, and the very day that that goes up there, the Congress -- one of the committees over there on the Senate side comes out -- or the House side -- can't remember which -- comes out with a budget ten times that much for the first year. And then they say what are we going to do about getting the deficit under control? You've got to have some -- we've got to have some discipline in the Congress if we're going to meet the deficit needs and still start to provide the needs for the child care and other social causes that do -- should really have a command on our resources.

To prepare for the future, we've got to map a national security strategy that ensures our freedom and gives due weight to each factor of change in the international scene. And that's the aim of this series of these defense and policy reviews that I've instructed my national security team to conduct. And some are saying you'd better hurry up. You don't want Mr. Gorbachev to capture the high ground with his speech at the United Nations, don't want him to mold public opinion further in Europe. Far more important is that we do a prudent review of our foreign policy, of our national security requirements, and then, in concert with our allies, move forward. We are prepared to lead this alliance, as the United States has in the past, but I am not going to be pushed into speedy action because Mr. Gorbachev gives a compelling speech at the United Nations, and I hope the Soviets understand that. (Applause.)

So this is an American agenda for the long-term, and we aren't going to clean up the environment, turn our education system around, or create a more responsive business climate in one single day. But, if we begin today and make steady progress, we will succeed.

And in this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back from the year 2000. And I'm confident we will be able to look back with pride on work we did to get ready for a new century -- provided we look forward today. We must enter the 21st century as a strong and trusted partner in the alliance of free nations and a front-line leader in defense of freedom.

We must enter the 21st century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

We must enter the 21st century as a nation whose people enjoy freedom, opportunity, and equality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be the American Century.

national security interest, as well as in the interest of freeing up markets that I've talked about here earlier on, so it will be priority. And I have a feeling that it is more apt to happen than anytime since -- well, certainly in the last eight years that we've watched it and followed it and run into snags. But I'm for it. The administration is solid behind it. And the climate in Congress is much better today for this.

And some of it is environmental, and much of it is that people now realize we are becoming more and more dependent on foreign oil -- it's getting close to 50 percent now. And most people, even if they don't come from an oil-producing state or a hydrocarbon-producing state, understand that that is not in the national interest of the United States. So I'm optimistic about it.

Q Mr. President, could you comment on your feelings about the future of NASA, particularly with respect to the space station and a manned mission to Mars by the end of this century.

THE PRESIDENT: On the space station, I am strongly for it. We have made -- taken the steps budget-wise to go forward on that. I have not reached a conclusion on whether the next major mission should be a manned mission to Mars, and so I'd have to say that is -- it's not on hold, but we're asking the space council that has been reconstituted or constituted now, to go -- come forward with its recommendations.

The Vice President's chairing it. He'll be in Houston in about two weeks from now. So no decision is made what happens beyond the space station itself. And I will make that decision when I get their recommendations. And I would have to say this as a word of caution -- even though we've increased or requested that NASA's budget be increased, there are constrained resources that I have to deal with as President, and so I can't pledge instant commissioning of this follow-on mission to Mars.

Q Is the increased attention being given to the private lives of public officials and candidates a good thing or a bad thing for politics and government in this country?

THE PRESIDENT: Well, it's a -- I think there are excesses. I think there are intrusions into people's private lives that go beyond the public trust or go beyond one's ability to serve. And I don't like the excesses.

And I think you all here know how I feel about the recent proceedings regarding Senator Tower -- didn't like that because I think it was unfair. I don't think it is fair to a man who has been in public life and has served his country with honor to be tried by perception and rumor. That is not the American way. (Applause.) And people say to me, well, didn't it drag your administration down to stand with Senator Tower? The answer is no, and I'm very pleased the Senate Committee moved this morning on our new nominee, Dick Cheney. But the answer is, I wasn't about to move away from John

Will we continue to rely on submarine-based nuclear defense?

THE PRESIDENT: Well, submarine-based nuclear defense is and will continue to be a very important part of our deterrent. There's no question about that. There is nothing going on in the field of arms control thinking that would convince me to have anything other than to preserve our technology and our ability to deter war through preserving, strengthening that kind of defense.

In terms of the 600-ship Navy, it's a goal. I've been for it, will continue to be for it. But I have to defer now to this budget review and strategic review and administrative review that I've tasked the Defense Department to come up with. And it's serious business. They will report back soon, and then we'll have to make our budget choices. And so I would have to defer answering how much more will be done on a 600-ship Navy within the next budget cycle. But as a goal, as an objective, I am for that. I believe naval power is a significant deterrent to aggression.

I might say this inasmuch as that's the last question. We've got 11 grandchildren, and I expect, looking at the age lines on some of the men around here -- notice that one -- some of you may have some grandchildren. When you get to be President, one of the main concerns you have has got to be how do you feel about world peace. What can you do to strengthen it? Are you optimistic or pessimistic about the world moving away from confrontation towards more peaceful resolution of problems?

We're in the process of reviews, as I said, and I've met Mr. Gorbachev several times. I am convinced that I can say to our 11 grandchildren we have a real opportunity now to make this year 2000 and beyond that I was talking about more peaceful. The changes in the Soviet Union are profound. Gorbachev himself will tell you when you ask him about perestroika -- he said it'll never go back to the way it was. Changes in China are profound. Barbara and I are just back from there. It will never go back to the days when the Soviet Union and China were in lock-step together.

But we're facing a challenge in the United States. We've got to figure it out. We've got to measure Soviet intentions and then move -- then come forward with proposals that will enhance the peace for our kids and our grandkids.

But I wanted to leave you, my neighbors and friends, with this thought: There is reason to be optimistic because of the changes inside the Soviet Union and some of the changes that you're seeing surface now in Eastern Europe. And you saw the relief of regional tensions in Angola. Hopefully it will come to be brought to bear in Central America. So I would say to you, my friends and neighbors, if we do it right, if we keep strong and are not naive in it, if we don't make drastic cuts in the security accounts of this country, I think all of us can look forward over that horizon to a much more peaceful world with the United States still in the forefront of what's right for democracy and freedom.

Insert - *Horata Speech Thru.*
From: Richard Breda

We're also working hard on a serious problem that all Texans are acutely aware of -- that of the threat to our financial system posed by the insolvent savings and loans. Less than three weeks after taking office, I announced a comprehensive set of proposals to enable us to control this problem. I am determined that we must make the hard choices and face up to the need to reform our system so that this problem will not be repeated ever again.

Nationwide, insolvent firms still in operation are incurring new operating losses at a rate of more than \$333 million per month -- that's about \$3 million during the course of this luncheon. These losses can be reduced, and I sent a bill to the Congress more than three weeks ago that will allow us to put this terrible problem behind us. It's a sound and comprehensive plan. I want to see that Bill -- with its central provisions intact -- arrive on my desk by May 1. There is not any excuse for further delay.

Once this legislation is enacted, we must turn our attention to the careful and responsible handling of the assets of the failed institutions, as well as to the complete protection of their depositors. In this way we can ensure the least possible disruption to local markets at the same time that overall costs are minimized. Finally, we must also see to it that those who have caused losses through ^{severe} fraud and criminal actions are investigated, relentlessly pursued and placed behind bars where they belong.

MASTER I**WHITE HOUSE STAFFING MEMORANDUM**DATE: 3/13/89

ACTION/CONCURRENCE/COMMENT DUE BY: _____

3/14/89 10:00 AMSUBJECT: PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON

	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 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"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<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"/>

no comment over phone (next to McClure)

no comment, over phone (next to Gray)

[Red arrow pointing from Winston to Breeden]

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Tuesday, March 14, 1989, with an info copy to my office. Thank you.

RESPONSE:

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

(McGroarty/Simon)
March 13, 1989
12:00 noon

PRESIDENTIAL REMARKS: 40
1989 MAR 16
THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

Thank you.... They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 250 new companies each month, ~~96~~^{nearly} 100,000 new jobs in the area in the past two years, and your unemployment rate is ~~less than~~^{almost} half what it was just ~~three~~^{two} years ago. And best of all, the new Houston is being built upon a broad economic base.

And I am especially pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. ((By the way, I came to Houston to share the good news with you because they've already heard it ~~to~~ⁱⁿ Lubbock.))

I've come ~~to~~^{home} Texas to tell you we're hard at work in Washington -- and we're making progress.

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. We can stay on track to meet the Gramm-Rudman target -- and we can do it with no new taxes.

To building a better America²

The key is a realistic and workable budget, like the one I sent to Congress seven weeks ago, ~~the one that even the Congressional Budget Office now says will meet the Gramm-Rudman target.~~ (Pink)

We're working to clean up insolvent savings and loans -- and to clean up the S&L system, so that the questionable practices and outright illegalities that caused the current crisis won't happen again.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

And we're waging ~~the~~ war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

min wage)

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. Leadership is more than ~~that~~ crisis-management. It's more than dealing with the problems of the day -- no matter how urgent they are. (STUD)

The true test of leadership is knowing where ~~we want~~ to take the country -- and taking the steps today to get us there.

That's working for the long term, for a payoff we won't see today or tomorrow -- but ten and twenty years from now.

For people my age -- and for ^{those} people a good deal younger -- ~~the 21st Century has been~~ ^{it was} the place ^{where} we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, ^{we} you have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated ^{from high school} in the Class of '42. Our first graders today will be the class of 2000.

The 21st Century is ^{nearly upon us and we are faced with an essential} here. ~~The question is what we are doing~~ ^{are} today to prepare ~~ourselves~~ ^{all we can} for the new world that begins eleven short years from now. [?]

That's what my agenda is all about.

Building a better America means ^{laying} taking the ~~the necessary~~ ^{foundations today} steps today to build the foundations for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives ^{for} to new investment, and aggressive R&D programs that are catalysts to technological advance. ^{-- and I've asked the Congress to join with me on THIS--} We've got to cut the capital gains tax, to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment ^{TOP} a priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we've ~~got to focus on~~ ^{must encourage and improve} education. We've ~~got to~~ ^{must} recognize and reward excellence in education -- in our schools, our teachers ^{and} our students. My merit proposals -- for teachers, schools, and our nation's best young science

scholars -- will reward the best, and encourage others ^{to} follow their example. We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students ^{the power} ~~the power~~ to choose their schools, and that will serve as a powerful incentive for schools to improve their performance.

To ^{ing} prepare for the future, ^{also means confronting} ~~we've got to cope~~ with the changing nature of ^{our} society. What are we doing in the age of the the single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult.

~~And~~ ^{let} ~~of course~~, to prepare for the future, we've got to map a national security strategy that ^{ensures our freedom and} gives due weight to each factor of change in international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

~~We have to understand that this is an~~ ^{AMERICAN} agenda for the long-term. We aren't going to clean up the environment, turn ^(around) ~~around~~ our education system, ^{or} create a more responsive business climate ~~or work environment~~ in a single day. But ^{if we} ~~we must~~ begin ^{we will} ~~today~~, and make steady progress, ~~in order~~ to succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back

from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st Century as a strong and trusted partner in the alliance of free nations, a front-line leader in defense of freedom.

-- We can enter the 21st Century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st Century as a nation whose people enjoy a degree of freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#

Insert for Speech to
Independent Insurance Agents of America

Houston

for Houston file

On February 6, in the first days of my Presidency, I spoke to the American people concerning a problem of historic dimensions -- the enormous difficulties of our savings and loan institutions. With more than \$1 trillion in assets, these savings institutions are an important element of both our financial system and our national commitment to housing. Sadly, for more than a decade troubles in the industry have grown. Today there are hundreds of savings and loans that are insolvent and losing money at a rate estimated at as much as \$40 million each and every day.

Almost three weeks ago my Administration sent to the Congress a 333-page bill that will allow us to stop a significant portion of the ongoing losses. Because of the extraordinary and unnecessary costs of this problem, I called on the Congress to enact the necessary legislation in 45 days. That request for quick action is based on my belief that extraordinary situations such as this demand extraordinary efforts of our government. With the losses that must ultimately be paid continuing to mount by the day, the price of delay is simply unacceptable.

Key members in both Houses have been working to move this legislation. Consequently, I am prepared to give Congress the benefit of the doubt, and to seek action within 45 working days, or April 26. Therefore, I challenge Congress to match the speed my Administration has shown in attacking this serious problem head-on.

This legislation is fair and balanced, and it will protect the American public from further unjustifiable losses. We intend to make good on the guarantee of deposits at these institutions, and to reform the regulatory system so that this terrible situation will not be repeated. We also will move vigorously against those who have looted and defrauded insured institutions.

For the future, I am determined that standards of integrity, prudence and financial strength should be the hallmarks of insured institutions. Insolvent firms need not apply for the right to hold the deposits of the American public. The rule must be, put your own money at risk, or don't expect the taxpayers to cover your bets.

These proposals are designed to restore our system to a safe, sound and stable condition from which to continue serving the American public. Above all, the American public is entitled to demand that the abusive practices of the past will not be allowed to reoccur.

(McGroarty/Simon)
March 15, 1989
~~3:30~~ pm
S: *oo*

PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

((Thank you, Dick for that introduction, and I must thank you and Dick Johnson for putting this "little" lunch together.))

They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I am pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. I'm glad that Bob Mosbacher is with me -- a past president of the Forum Club, now handling the tough assignment at Commerce -- and not surprisingly, doing a superb job.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 280 new companies last month, nearly 90,000 new jobs in the area in the past two years, and your unemployment rate is almost half what it was just two years ago. And best of all, the new Houston is being built upon a broad economic base.

I've come home to Texas to tell you we're hard at work in Washington -- and we're making progress. ((By the way, I came to Houston to share the good news with you because they've already heard it in Lubbock.))

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. Under our budget, we'll have \$80 billion dollars in new revenue for 1990. We can stay on track to meet the Gramm-Rudman target -- and we can do it with no new taxes.

The key to building a better America is a realistic and workable budget, like the one I sent to Congress seven weeks ago.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

We're waging a war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

We're working to establish a six-month training wage, as part of a package raising the minimum wage from \$3.35 to \$4.25 an hour. \$4.25 is my first -- and last -- offer. Anything higher will actually cost us jobs, by raising costs for many employers, and will have an adverse affect on inflation and productivity. A training wage does just the opposite -- providing those now jobless -- especially for youth and minorities -- a hand-hold on the economic ladder, a means of moving up.

And we're working hard on a serious problem all Texans are aware of -- the threat to our financial system posed by insolvent savings and loans. Less than three weeks after taking office, I

announced a comprehensive set of proposals to take effective action on this problem. We must clean up the S&L system, so that the questionable practices and outright illegalities that caused the current crisis won't happen again.

Nationwide, insolvent S&Ls still in operation are incurring operating losses at a rate of about \$300 million dollars a month -- that's more than \$2 million dollars during the course of this luncheon. Three weeks ago, I sent the Congress a bill that will enable us to take action to halt the dollar drain, and move forward on stabilizing our S&L system. It's a sound and comprehensive plan -- and it has been well received. I want to see that bill passed with its central provisions intact. There's no excuse for further delay.

Once the legislation is enacted, we must turn our attention to careful and responsible handling of the assets of failed S&Ls. Let me be clear on a key point: Insured depositors are not at risk. They are fully protected, and will continue to be fully protected.

Our solution must ensure the least possible disruption to local markets -- and at the same time keep costs to a minimum. And let me say clearly: we must see to it that those S&L officials guilty of criminal actions are pursued and punished for the losses they have caused.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. We're entering the 1990s -- a Horizon Decade -- threshold to a new century.

For people my age -- and for people a good deal younger -- the 21st Century has been the place in our minds that we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, we have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated from high school in the Class of '42. Our first graders today will be the class of 2000.

The 21st Century is here -- in our children. The essential question today is: what are we doing to prepare for the new world that begins eleven short years from now?

That's what my agenda is all about.

Building a better America means laying the foundations today for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It means taking a long-range look at the international landscape, to

determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today. And speaking of freedom, it means formulating a multi-source energy policy that, in the long run, will make us less dependent on foreign oil....

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives for new investment, and aggressive R&D programs that are catalysts to technological advance. I've called for a permanent R & E -- research and experimentation -- tax credit to create that incentive and a 13% increase in federally funded science research.

We've got to cut the capital gains tax -- and I've asked the Congress to join with me on this -- to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein. And by the way, my proposal on restoring the capital gains tax differential

will add \$4.8 billion dollars in new revenues to the Treasury in 1990 alone.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment a top priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we must encourage and improve education. We must recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science scholars -- will reward the best, and encourage others to follow their example. Our National Science Scholarships alone will provide 570 top students up to \$10,000 a year to attend the college of their choice.

We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance. That's why I've urged Congress to provide \$100 million to help with the start-up costs for new magnet schools.

Preparing for the future means confronting the changing nature of our society. What are we doing in the age of the

single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- and giving parents a choice. I don't want federal regulators to push churches and private groups out of the child care business. Our 1990 budget requests a 20% increase in funding for our successful Head Start program, and institutes this new Child Care Tax Credit for low-income households, to make balancing the responsibilities of work and family less difficult.

And, of course, to prepare for the future, we've got to map a national security strategy that ensures our freedom, and gives due weight to each factor of change in the international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

This is an American agenda for the long-term. We aren't going to clean up the environment, turn our education system around, or create a more responsive business climate in a single day. But if we begin today, and make steady progress, we will succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We must enter the 21st century as a strong and trusted partner in the alliance of free nations, a front-line leader in defense of freedom.

-- We must enter the 21st century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We must enter the 21st century as a nation whose people enjoy freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you very much. ((And now, unless that was all perfectly clear to all of you, I'll take some questions.))

#

(McGroarty/Simon)
March 14, 1989
7:30 pm

PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

Thank you.... They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 250 new companies each month, nearly 90,000 new jobs in the area in the past two years, and your unemployment rate is almost half what it was just two years ago. And best of all, the new Houston is being built upon a broad economic base.

And I am pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. While Jim Baker was unable to make the trip, I have brought along Bob Mosbacher, past president of the Forum Club, now handling the tough assignment at Commerce.

I've come home to Texas to tell you we're hard at work in Washington -- and we're making progress. ((By the way, I came to Houston to share the good news with you because they've already heard it in Lubbock.))

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. We can stay on track to meet the Gramm-Rudman target -- and we can do it with no new taxes.

The key to building a better America is a realistic and workable budget, like the one I sent to Congress seven weeks ago.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

We're waging a war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

We're working to establish a six-month training wage, as part of a package raising the minimum wage to \$4.25 an hour. \$4.25 is my first -- and last -- offer. Anything higher will actually cost us jobs, by raising costs to many employers. A training wage does just the opposite -- providing those now jobless -- especially for youth and minorities -- a hand-hold on the economic ladder, and a means of moving up.

And we're working hard on a serious problem all Texans are aware of -- the threat to our financial system posed by insolvent savings and loans. Less than three weeks after taking office, I announced a comprehensive set of proposals to take effective action on this problem. We must clean up the S&L system, so that

the questionable practices and outright illegalities that caused the current crisis won't happen again.

Nationwide, insolvent S&Ls still in operation incur operating losses at a rate of more than \$333 million a month -- that's about \$3 million dollars during the course of this luncheon. Three weeks ago, I sent the Congress a bill that will enable us to take action to halt the dollar drain, and move forward on stabilizing our S&L system. It's a sound and comprehensive plan. I want to see that bill passed with its central provisions intact. There's no excuse for further delay.

Once the legislation is enacted, we must turn our attention to careful and responsible handling of the assets of filed S&Ls -- and to the complete protection of their depositors. Our solution must ensure the least possible disruption to local markets -- at the same time it keeps costs to a minimum. And let me say clearly: we must see to it that those S&L officials guilty of criminal actions are pursued and punished for the losses they have caused.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. Leadership is more than crisis-management. It's more than dealing with the problems of the day -- no matter how urgent they are.

The true test of leadership is knowing where to take the country -- and taking the steps today to get us there.

That's working for the long term, for a payoff we won't see today or tomorrow -- but ten and twenty years from now.

For people my age -- and for people a good deal younger -- the 21st Century has been the place we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, we have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated from high school in the Class of '42. Our first graders today will be the class of 2000.

The 21st Century is here. The essential question today is: what are we doing to prepare for the new world that begins eleven short years from now?

That's what my agenda is all about.

Building a better America means laying the foundations today for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It

means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives for new investment, and aggressive R&D programs that are catalysts to technological advance. I've called for a permanent R & E -- research and experimentation -- tax credit to create that incentive and a 13% increase in federally funded science research.

We've got to cut the capital gains tax -- and I've asked the Congress to join with me on this -- to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with

other nations -- must make a clean environment a top priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we must encourage and improve education. We must recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science scholars -- will reward the best, and encourage others to follow their example. Our National Science Scholarships alone will provide 570 top students up to \$10,000 a year to attend the college of their choice.

We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance. That's why I've urged Congress to provide \$100 million to help with the start-up costs for new magnet schools.

Preparing for the future means confronting the changing nature of our society. What are we doing in the age of the single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult. Our 1990 budget requests a 20% increase in funding for our successful

Head Start program, and institutes a new Child Care Tax Credit for low-income families.

And, of course, to prepare for the future, we've got to map a national security strategy that ensures our freedom, and gives due weight to each factor of change in international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

This is an American agenda for the long-term. We aren't going to clean up the environment, turn our education system around, or create a more responsive business climate in a single day. But if we begin today, and make steady progress, we will succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st century as a strong and trusted partner in the alliance of free nations, a front-line leader in defense of freedom.

-- We can enter the 21st century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st century as a nation whose people enjoy freedom, opportunity, and a quality of life that fulfills the

American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#

WHITE HOUSE STAFFING MEMORANDUMDATE: 3/13/89

ACTION/CONCURRENCE/COMMENT DUE BY: _____

3/14/89 10:00 AMSUBJECT: PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON

	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 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"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<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 directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Tuesday, March 14, 1989, with an info copy to my office. Thank you.

Red tag this to Chris

RESPONSE:

*Per JHS - add section on minimum wage.
add Bob Mosbacher - he was a former President of this group
add more specifics to what is being done on our specific programs.*

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

(McGroarty/Simon)
March 13, 1989
12:00 noon

PRESIDENTIAL REMARKS: 40
1989 MAR 16
THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

Thank you.... They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 250 new companies each month, 95,000 new jobs in the area in the past two years, and your unemployment rate is less than half what it was just three years ago. And best of all, the new Houston is being built upon a broad economic base.

And I am especially pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. ((By the way, I came to Houston to share the good news with you because they've already heard it to Lubbock.))

I've come to Texas to tell you we're hard at work in Washington -- and we're making progress.

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. We can stay on track to meet the Gramm-Rudman target -- and we can do it with no new taxes.

The key is a realistic and workable budget, like the one I sent to Congress seven weeks ago -- the one that even the Congressional Budget Office now says will meet the Gramm-Rudman target.

We're working to clean up insolvent savings and loans -- and to clean up the S&L system, so that the questionable practices and outright illegalities that caused the current crisis won't happen again.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

And we're waging the war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. Leadership is more than crisis-management. It's more than dealing with the problems of the day -- no matter how urgent they are.

The true test of leadership is knowing where we want to take the country -- and taking the steps today to get us there.

That's working for the long term, for a payoff we won't see today or tomorrow -- but ten and twenty years from now.

For people my age -- and for people a good deal younger -- the 21st Century has been the place we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, you have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated in the Class of '42. Our first graders today will be the class of 2000.

The 21st Century is here. The question is what we are doing today to prepare ourselves for the new world that begins eleven short years from now.

That's what my agenda is all about.

Building a better America means taking the the necessary steps today to build the foundations for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives to new investment, and aggressive R&D programs that are catalysts to technological advance. We've got to cut the capital gains tax, to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment a priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we've got to focus on education. We've got to recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science

scholars -- will reward the best, and encourage others follow their example. We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance.

To prepare for the future, we've got to cope with the changing nature of society. What are we doing in the age of the the single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult.

And, of course, to prepare for the future, we've got to map a national security strategy that gives due weight to each factor of change in international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

We have to understand that this is an agenda for the long-term. We aren't going to clean up the environment, turn around our education system, create a more responsive business climate or work environment in a single day. But we must begin today, and make steady progress -- in order to succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back

from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st Century as a strong and trusted partner in the alliance of free nations, a front-line leader in defense of freedom.

-- We can enter the 21st Century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st Century as a nation whose people enjoy a degree of freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#

(McGroarty/Simon)
March 13, 1989
12:00 noon

PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

Thank you.... They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 250 new companies each month, 95,000 new jobs in the area in the past two years, and your unemployment rate is less than half what it was just three years ago. And best of all, the new Houston is being built upon a broad economic base.

And I am especially pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. ((By the way, I came to Houston to share the good news with you because they've already heard it to Lubbock.))

I've come to Texas to tell you we're hard at work in Washington -- and we're making progress.

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. We can stay on track to meet the Gramm-Rudman target -- and we can do it with no new taxes.

The key is a realistic and workable budget, like the one I sent to Congress seven weeks ago -- the one that even the Congressional Budget Office now says will meet the Gramm-Rudman target.

We're working to clean up insolvent savings and loans -- and to clean up the S&L system, so that the questionable practices and outright illegalities that caused the current crisis won't happen again.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

And we're waging the war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. Leadership is more than crisis-management. It's more than dealing with the problems of the day -- no matter how urgent they are.

The true test of leadership is knowing where we want to take the country -- and taking the steps today to get us there.

That's working for the long term, for a payoff we won't see today or tomorrow -- but ten and twenty years from now.

For people my age -- and for people a good deal younger -- the 21st Century has been the place we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, you have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated in the Class of '42. Our first graders today will be the class of 2000.

The 21st Century is here. The question is what we are doing today to prepare ourselves for the new world that begins eleven short years from now.

That's what my agenda is all about.

Building a better America means taking the the necessary steps today to build the foundations for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives to new investment, and aggressive R&D programs that are catalysts to technological advance. We've got to cut the capital gains tax, to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment a priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we've got to focus on education. We've got to recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science

scholars -- will reward the best, and encourage others follow their example. We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance.

To prepare for the future, we've got to cope with the changing nature of society. What are we doing in the age of the the single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult.

And, of course, to prepare for the future, we've got to map a national security strategy that gives due weight to each factor of change in international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

We have to understand that this is an agenda for the long-term. We aren't going to clean up the environment, turn around our education system, create a more responsive business climate or work environment in a single day. But we must begin today, and make steady progress -- in order to succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back

from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st Century as a strong and trusted partner in the alliance of free nation, a front-line leader in defense of freedom.

-- We can enter the 21st Century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st Century as a nation whose people enjoy a degree of freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#

*Response to Gov Sumner
comments; pp. 5-6-7.*

5

means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives for new investment, and aggressive R&D programs that are catalysts to technological advance. *I've called for a permanent R&E tax credit to create that incentive.* We've got to cut the capital gains tax -- and I've asked the Congress to join with me on this -- to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment a top priority. And what I've done so far shows this isn't just talk -- I'm taking action.

*and a
13%
increase
in
federally
funded
basic
science
research.*

Our National Science Scholarship alone will provide 570 top students up to \$10,000 a year to attend the college of their choice.

To prepare for the future, we must encourage and improve education. We must recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science scholars -- will reward the best, and encourage others to follow their example. We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance. Preparing for the future means confronting the changing nature of our society. What are we doing in the age of the the single-parent and the two-career household to help the family survive and prosper?

That's why I've urged Congress to provide \$100 million to help with startup costs of new Magnet Schools.

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult. And, of course, to prepare for the future, we've got to map a national security strategy that ensures our freedom, and gives due weight to each factor of change in international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

This is an American agenda for the long-term. We aren't going to clean up the environment, turn our education system around, or create a more responsive business climate in a single

*Apr 1990 budget requests
I've called
urged on Congress
to fund
a 20%
increase in funding
from successful
Head Start
program,
& institutes
a new
Child Care
Tax Credit
for
low-income families.*

day. But if we begin today, and make steady progress, we will succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st century as a strong and trusted partner in the alliance of free nations, a front-line leader in defense of freedom.

-- We can enter the 21st century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st century as a nation whose people enjoy freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#

✓
Revised.
12:35 P.M.
3/14/89

March 14, 1989

MEMORANDUM FOR JIM CICCONI

FROM; DENISE SCHWARZ
OFFICE OF CABINET AFFAIRS

SUBJECT; PRESIDENTIAL REMARKS; THE FORUM CLUB OF HOUSTON
LOG #016168SS

We have reviewed the attached and have no comments as of
10:30 a.m. today.

Attachment

cc: Chriss Winston

WHITE HOUSE STAFFING MEMORANDUMDATE: 3/13/89

ACTION/CONCURRENCE/COMMENT DUE BY: _____

3/14/89 10:00 AMSUBJECT: PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON

	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 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"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<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 directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Tuesday, March 14, 1989, with an info copy to my office. Thank you.

RESPONSE:

James W. Cicconi
Assistant to the President

(McGroarty/Simon)
March 13, 1989
12:00 noon

PRESIDENTIAL REMARKS: 40 THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

Thank you.... They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 250 new companies each month, 95,000 new jobs in the area in the past two years, and your unemployment rate is less than half what it was just three years ago. And best of all, the new Houston is being built upon a broad economic base.

And I am especially pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. ((By the way, I came to Houston to share the good news with you because they've already heard it ⁱⁿ to Lubbock.))

I've come to Texas to tell you we're hard at work in Washington -- and we're making progress.

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. We can stay on track to meet the Gramm-Rudman ^{Hollings} target -- and we can do it with no new taxes.

The key is a realistic and workable budget, like the one I sent to Congress seven weeks ago -- the one that even the Congressional Budget Office now says will meet the Gramm-Rudman target.

We're working to clean up insolvent savings and loans -- and to clean up the S&L system, so that the questionable practices and outright illegalities that caused the current crisis won't happen again.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

And we're waging the war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. Leadership is more than crisis-management. It's more than dealing with the problems of the day -- no matter how urgent they are.

The true test of leadership is knowing where we want to take the country -- and taking the steps today to get us there.

That's working for the long term, for a payoff we won't see today or tomorrow -- but ten and twenty years from now.

For people my age -- and for people a good deal younger -- the 21st Century has been the place we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, you have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated in the Class of '42. Our first graders today will be the class of 2000.

one college
other High
School --
poor
analogy.

The 21st Century is here. The question is what we are doing today to prepare ourselves for the new world that begins eleven short years from now.

That's what my agenda is all about.

Building a better America means taking the ~~the~~ necessary steps today to build the foundations for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives to new investment, and aggressive R&D programs that are catalysts to technological advance. We've got to cut the capital gains tax, to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment a priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we've got to focus on education. We've got to recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science

scholars -- will reward the best, and encourage others follow their example. We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance.

To prepare for the future, we've got to cope with the changing nature of society. What are we doing in the age of the single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult.

And, of course, to prepare for the future, we've got to map a national security strategy that gives due weight to each factor of change in ^{the} international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

We have to understand that this is an agenda for the long-term. We aren't going to clean up the environment, turn around our education system, create a more responsive business climate or work environment in a single day. But we must begin today, and make steady progress -- in order to succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back

from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st Century as a strong and trusted partner in the alliance of free nation, a front-line leader in defense of freedom.

-- We can enter the 21st Century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st Century as a nation whose people enjoy a degree of freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#

1638

WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/13/89 ACTION/CONCURRENCE/COMMENT DUE BY: 3/14/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: THE FORUM CLUB OF HOUSTON

	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 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"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<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 directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Tuesday, March 14, 1989, with an info copy to my office. Thank you.

RESPONSE:

March 13, 1989

TO: Chriss Winston

NSC concurs.

80 MAR 13 6:3:28
Bates Jr
Brent Scowcroft

cc: James Cicconi

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

(McGroarty/Simon)
March 13, 1989
12:00 noon

PRESIDENTIAL REMARKS: 43
1989 MAR 15
THE FORUM CLUB OF HOUSTON
HOUSTON, TEXAS
THURSDAY, MARCH 16, 1989

Thank you.... They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth, to come home to Houston.

I take great pride in what is happening here. After difficult times, Houston has turned the corner. I've checked the statistics, and they're impressive: 250 new companies each month, 95,000 new jobs in the area in the past two years, and your unemployment rate is less than half what it was just three years ago. And best of all, the new Houston is being built upon a broad economic base.

And I am especially pleased to be back at the Forum Club, which has contributed so much to public debate on the important issues of the day. ((By the way, I came to Houston to share the good news with you because they've already heard it to Lubbock.))

I've come to Texas to tell you we're hard at work in Washington -- and we're making progress.

We're working to drive down the deficit. We can bring federal spending under control -- and into balance with our resources. We can stay on track to meet the Gramm-Rudman target -- and we can do it with no new taxes.

The key is a realistic and workable budget, like the one I sent to Congress seven weeks ago -- the one that even the Congressional Budget Office now says will meet the Gramm-Rudman target.

We're working to clean up insolvent savings and loans -- and to clean up the S&L system, so that the questionable practices and outright illegalities that caused the current crisis won't happen again.

We're working now on a plan that will help developing nations cope with the burden of debt -- a solution that promotes growth and stability in world markets.

And we're waging the war on drug-abuse on every front: more effective education and awareness efforts to dry up demand for illegal drugs, and tougher law enforcement and interdiction to cut off suppliers, and put the dealers behind bars -- where they belong.

These are serious challenges -- ticking time bombs that we need to defuse without delay. And we're doing just that.

But these are by no means the only issues that demand leadership and prompt action. Leadership is more than crisis-management. It's more than dealing with the problems of the day -- no matter how urgent they are.

The true test of leadership is knowing where we want to take the country -- and taking the steps today to get us there.

That's working for the long term, for a payoff we won't see today or tomorrow -- but ten and twenty years from now.

For people my age -- and for people a good deal younger -- the 21st Century has been the place we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. "The 21st Century" was just another name for a future that seemed as distant as a voyage to the moon.

Here in Houston, you have a better sense of how we can cover that distance, and transform a distant future into our destiny.

The truth is, the 21st Century isn't far away at all. I graduated in the Class of '42. Our first graders today will be the class of 2000.

The 21st Century is here. The question is what we are doing today to prepare ourselves for the new world that begins eleven short years from now.

That's what my agenda is all about.

Building a better America means taking the the necessary steps today to build the foundations for the kind of future we want.

Preparing for our future means investment -- in our economy and in our schools. It means safeguarding the environment against short-sighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. It means taking a long-range look at the international landscape, to determine what policies and approaches will keep us free, prosperous and at peace in the 21st Century, as we are today.

These aren't minor matters or unimportant issues.

These are concerns that will determine what kind of world we live in -- and whether we as a people live up to our American ideals.

And they're at the center of my agenda for a new American Century.

To prepare for the future, we've got to invest in our economy: We've got to create incentives to new investment, and aggressive R&D programs that are catalysts to technological advance. We've got to cut the capital gains tax, to spur the entrepreneurial activity that means new products, new industries and new jobs. Free enterprise is the engine of growth that can lead us into the next century. It's up to government to maintain a climate that is hospitable to growth, competitiveness and productive investment, one that gives free enterprise free rein.

To prepare for the future, we've got to protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes, or the discharge of CFCs into our atmosphere, the United States -- on our own and in concert with other nations -- must make a clean environment a priority. And what I've done so far shows this isn't just talk -- I'm taking action.

To prepare for the future, we've got to focus on education. We've got to recognize and reward excellence in education -- in our schools, our teachers, our students. My merit proposals -- for teachers, schools, and our nation's best young science

scholars -- will reward the best, and encourage others follow their example. We can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance.

To prepare for the future, we've got to cope with the changing nature of society. What are we doing in the age of the the single-parent and the two-career household to help the family survive and prosper?

I've called on Congress to adopt a set of child care initiatives aimed at strengthening the American family -- especially low-income working households, where balancing the responsibilities of work and family proves most difficult.

And, of course, to prepare for the future, we've got to map a national security strategy that gives due weight to each factor of change in international scene. That's the aim of the series of defense and foreign policy reviews I've instructed my national security team to conduct.

We have to understand that this is an agenda for the long-term. We aren't going to clean up the environment, turn around our education system, create a more responsive business climate or work environment in a single day. But we must begin today, and make steady progress -- in order to succeed.

In this kind of work, more is going on than meets the eye -- or makes the headlines. The proof will come when we look back

from the year 2000. And I'm confident that we will be able to look back with pride on work we did to get ready for a new Century -- provided we look forward today.

-- We can enter the 21st Century as a strong and trusted partner in the alliance of free nation, a front-line leader in defense of freedom.

-- We can enter the 21st Century as a productive, energetic and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead.

-- We can enter the 21st Century as a nation whose people enjoy a degree of freedom, opportunity, and a quality of life that fulfills the American promise -- a society that draws its strength from the individual, the family, the community, and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do -- work that won't wait -- great work to ensure that the next century now on the horizon will be a new American Century.

Thank you.

#