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Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13498
Folder ID Number: 13498-006

Folder Title:
National Governors' Association, Chicago 7/31/89 [3]

Stack:	Row:	Section:	Shelf:	Position:
G	25	6	4	4

THE WHITE HOUSE
WASHINGTON

July 25, 1989

89 JUL 26 11:17 AM '89

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RB*

SUBJECT: Presidential Remarks: N.G.A. - Chicago, IL

I have reviewed the draft presidential remarks for the National Governors Association in Chicago. They are excellent in many respects and are clearly organized around a set of themes that are useful to emphasize with this audience.

My specific comments are as follow:

1. Given some of the recent stands by the NGA, on such issues as child care, I don't believe we want to be commending them as a "powerhouse of ideas." I have suggested some alternative language that is also positive. ✓

2. I also wonder whether we want to suggest that leadership in America is increasingly the sum of the efforts of governors. The President is the central focus for governmental leadership in the country. Moreover, we are calling for a thousand points of light -- to solve problems through private action.

3. Also on page two I strongly recommend omitting competition among states. The reforms we are discussing with respect to product liability laws and embracing federal preemption are the result of what we consider destructive competition among states. This is in the tradition of federal child labor laws which resulted from destructive competition among the states. The paragraph reads well without this sentence. ✓

4. Likewise, I recommend modifying the language dealing with the burdens of the office to make it positive. The President is clearly enjoying his job. And the nation likes an executive who does not feel burdened.

5. Someone should check specifically with the President about a call for all 50 state governors to trek to Poland and Hungary. Asking them to do it is one thing; encouraging them to do it is another.

6. Also on page four I suggest changing no hope to little hope.

7. I believe it was Eleanor Roosevelt who said that it is better to light a candle than curse the darkness. This quote should be checked carefully as you may already have done. ✓

8. Perhaps we should specify that our education program is built on four principles rather than a few principles. ✓

9. I have also suggested changes in the languages about the governor's conference on education to clarify that the conference is only for governors. This may help save us thousands of telephone calls by people who would like to be invited.

10. Equally important, let's take out any reference or commitment to goals. I have suggested alternative language that should do the trick.

If you have any questions, please let me know.

cc: James W. Cicconi

THE WHITE HOUSE
WASHINGTON

July 25, 1989

MEMORANDUM FOR CHRISS WINSTON
DEPUTY ASSISTANT TO THE PRESIDENT
FOR COMMUNICATIONS

FROM: ROBERT J. PORTMAN *RJP*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: N.G.A. - Chicago, Illinois

Pursuant to your staffing request of July 24, 1989, Counsel's Office has reviewed the above-referenced Presidential Remarks. We have no legal objection to the contents of these remarks.

We would point out that, at the bottom of page 5, a parenthetical (to be completed with the name of a city and state?) is missing.

Thank you for bringing this matter to our attention.

cc: James W. Cicconi

11:31 PM JUL 25 1989

WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/24/89 89 JUL 25 P5:28 ACTION/CONCURRENCE/COMMENT DUE BY: C.O.B. Tuesday 07/25

SUBJECT: PRESIDENTIAL REMARKS: N.G.A. - CHICAGO, IL
(07/21 Draft one)

	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>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>ANDERSON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BENNETT</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:
Please provide any comments/recommendations directly to Chriss Winston by close of business on Tuesday, 07/25, with a copy to my office. Thanks.

RESPONSE:
*See attached comments.
2/25/89.*

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

Dave Runkle - 633-2107

Davis/Martin
July 21, 1989
Draft: One
Title: Governors

PRESIDENTIAL ADDRESS: N.G.A./HYATT REGENCY, CHICAGO
Monday, July 31, 1989/10 a.m.

Governor Baliles ((Baa-lyles)), I want to commend you on the success of your chairmanship. Governor Branstad, you will bring your energy and vision to a Governors Association that has already become a powerhouse of ideas -- ideas to lead America as we face the challenges of a new century.

I also want to salute our host and my good friend, Jim Thompson -- a great governor and a former N.G.A. Chairman who has rocked the world of Illinois politics by announcing he will not run for a fifth term . . . ((And to think, Jim, they were just getting used to you.))

And if I may, let me recognize my chief of staff, another former N.G.A. Chairman, ((and another quiet and retiring soul)), John Sununu . . .

Let us begin by asking: what is the role of the governor in American political life? Well, the great 19th-century observer of American politics, Alexis de Toqueville once asked a country politician the same question. The answer he got was this: "The governor counts for absolutely nothing and is paid only twelve hundred dollars." ((PAUSE))

Well, you still can't get rich off a public salary. But today, the office of governor counts for a great deal. In fact,

leadership in America is increasingly the sum of **your** efforts and **your** vision.

As I look around me, I see more than fifty men and women representing America's states, commonwealths and territories. I see a people as diverse as our geography, as different as Bill Clement's Texas and John Waihee's Hawaii, Bob Martinez's Florida and John McKernan's beloved Maine.

Mention a Democrat.

And yet, we are a people, one nation, indivisible. Just as we share our cherished Constitution, so we also share common challenges and responsibilities. To become competitive as a nation, we must become competitive as states. To cure our nation of illiteracy, drug abuse and crime, we must act in tandem, president with governor, and governor with mayor, up and down the line. In short, we must find our collective will as a nation.

*Dipakis may be there!
May want to diplomatically mention.*

That is why I have come to Chicago to meet with my fellow chief executives. We share, as executives, a special responsibility . . . some describe it as a great burden. But for us, if it is a burden, it is one cheerfully accepted. To sit where the buck stops, to resolve disputes, to help those in need and to set a course for the future, is to know a special kind of satisfaction.

In fact, our missions as executives are so similar that many presidents have called on you for guidance. It was Teddy Roosevelt who called the nation's first conference of governors - - the forerunner of this association -- at the White House. He

brought the nation's governors together to call for conservation, for an end to the reckless denuding of our forests.

It was another Roosevelt, also a great governor of New York before he was a great president, who called on the governors to help him stem the financial crisis of the Great Depression.

Today, we do not meet in a spirit of immediate crisis. The nation is sound. But the decline of our education, the threat of crime and drugs, the economic dependency of so many -- these simmering problems threaten to endanger the very leadership position of America in the next century.

For America to remain competitive will require your best efforts, your executive know-how. The ultimate challenge, as Governor Baliles puts it, is "to become again the Yankee traders we once were." For the governors to formulate a creative response to our nation's competitive position is more than perceptive; it is forward-looking, an attribute of the best kind of leadership.

As you know, I have just returned from an economic summit where the competitive position of our nation was an underlying theme in discussions on the great economic issues of trade, monetary policy and international debt. But no less important to America was the start of my journey . . . in Eastern and Central Europe. Of course, in economic terms, Poland and Hungary today are not the economic magnets that we find in Western Europe or the Pacific Rim. But I saw a tremendous potential in the awakening spirit of those lands. No one who has witnessed the

courage of the workers of Gdnask, or the exuberance of the young people of Budapest, could doubt the coming achievements, the future greatness of the Polish and Hungarian peoples.

America can be the catalyst for change in these countries -- change that is certain to open new markets for American products. But we have our eyes on a greater vision of what trade means -- not just the trading of goods, but the free flow of people and ideas that can only be called freedom. ((PAUSE))

And the beauty of it is that we can boost reform without massive government-to-government programs. We can do the most good, as American leaders, by simply facilitating trade and investment, by simply opening doors for opportunity.

To open these doors will require leadership at every level of government. That is one reason why I have come to Chicago, to enlist your leadership, to ask each of you to go to Poland, to go to Hungary. While governors have no formal role in foreign policy, ^{and you are becoming} and trade, you are becoming our economic envoys ^{of trade and} ~~and our~~ ambassadors of democracy. You are a new force in restoring American international competitiveness.

Of course, your focus is on the critical domestic issues. As chief executives, we know first-hand how crucial our social health is to the future position of America.

A nation in which a half of the youngest generation is ignorant of geography, in which drugs are rampant, in which a substantial proportion of the population knows no hope -- such a nation will not long remain competitive. In the final analysis,

improving our schools, driving out drugs and bringing hope and opportunity to those who need it most -- these are issues of our national well-being, even our national security.

EDUCATION REFORM

First and foremost are our children and their education. Franklin Delano Roosevelt said: "We can light a candle or curse the darkness." Working together, you and I can bring enlightenment to every classroom in America.

On April 5, I sent to Congress an educational reform package, based on a few principles rooted in the practical experience of the states. To have reform, excellence and achievement must be recognized and rewarded. To have reform, federal dollars should be targeted to those most in need. To have reform, we need flexibility and choice -- choice for parents, and choice for schools in their selection of teachers and principals. Finally, the essence of reform is accountability in education and reward for those schools that show progress.

If implemented, I believe that these measures will restore the quality of American education and redeem the future of millions of children. But there is more to be done. On June 5, I asked the business community to study what the private sector can do to energize and support educational reform. Now I want to renew my pledge to assemble the executive talent of America in a summit, to share ideas and to explore options for educational progress. I invite you to a summit on education, to be held in

at ((high school)) on September ((date)). By working together, we can reach a consensus on long-term goals, ways to better the schools of America.

CRIME

As chief executives, we also see drugs and crime as the most harrowing domestic threat to the future of America.

I proposed, on May 15, a common-sense approach to crime to limit criminals' access to weapons, to reform the criminal justice system, to enhance enforcement and prosecution, and to expand prison capacity to ensure both the certainty and severity of punishment. I propose the hiring of 825 new federal agents and staff; 1,600 new prosecutors and staff; and an additional one billion dollars for federal prison construction.

I have proposed tough new laws, including mandatory time, no deals without cooperation and the death penalty for cop-killers. To effectively fight crime, we need the same approach at the state level. Work with us, toughen your laws, and together we can take back the streets. ((PAUSE))

WELFARE REFORM

Finally, America cannot continue to lead the world if we lag in providing opportunity at home.

Last year, as you know, Congress and the Administration enacted major welfare reform legislation, the Family Support Act of 1988. This Act grew out of a consensus that the well-being of

*governors
are working
with
Justice
already*

children depends on more than mere material needs. Children need a family environment that encourages self-sufficiency. In a word: character.

With this in mind, I reestablished the Low Income Opportunity Board within the White House. And I have asked the board to assist you in the complex and time-consuming process of obtaining federal approvals for experiments in state welfare reform. So many innovative policies have come from the states. Let us continue to work together to keep your administrations free to experiment, free to be creative.

CONCLUSION

Many of our responsibilities overlap in education, law enforcement and welfare. At times, there has been friction between the states and the "feds." Perhaps what we need between the federal government and the states is a friendly competition well known to Chicagoans. Here, along the majestic lakefront skyline, there has been an on-going competition among developers to retain the title of the world's tallest building. ((You might say this gives the phrase one-upmanship a whole new meaning.))

Yet, this is the kind of one-upmanship that builds, not destroys, that lifts, not lowers, that takes us all a little closer to the stars.

I have committed the powers of my office to lift America -- starting in the classrooms and the streets.

Working together, we can achieve a national consensus.
Working together, we can make the next century another American
century.

Thank you, God bless you and God bless America.

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WHITE HOUSE STAFFING MEMORANDUM

89 JUL 26 A8:21

DATE: 07/24/89

ACTION/CONCURRENCE/COMMENT DUE BY: _____

C.O.B. Tuesday 07/25

SUBJECT: PRESIDENTIAL REMARKS: N.G.A. - CHICAGO, IL

(07/21 Draft one)

	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"/>
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BREEDEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>ANDERSON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
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REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by close of business on Tuesday, 07/25, with a copy to my office. Thanks.

RESPONSE:

July 25, 1989

TO: CHRISS WINSTON

The NSC concurs with the Presidential remarks for the N.G.A. at the Hyatt Regency in Chicago on July 31. *as modified*

[Signature]
Brent Scowcroft

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

James W. Cicconi

89 JUL 25 10:51

[Handwritten mark]

89 JUL 25 10:41

Davis/Martin
July 21, 1989
Draft: One
Title: Governors

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To open these doors will require leadership at every level of government. ~~That is one reason why I have come to Chicago, to enlist your leadership, to ask each of you to go to Poland, to go to Hungary.~~ While governors have no formal role in foreign policy and trade, you are becoming our economic envoys and our ambassadors of democracy. You are a new force in restoring American international competitiveness.

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WELFARE REFORM

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DATE: 07/24/89 ACTION/CONCURRENCE/COMMENT DUE BY: C.O.B. Tuesday 07/25

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HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Please provide any comments/recommendations directly to Chriss Winston by close of business on Tuesday, 07/25, with a copy to my office. Thanks.

RESPONSE:

*See attached comments.
7/25/89.
New Submission
7/26/89*

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

INSERT
7/26/89

at ((high school)) on September ((date)). ~~By working together, we can reach a consensus on long-term goals, ways to better the schools of America.~~

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Governors
are working
with
Justice
already

Submission
of 7/26/89

NGA SPEECH INSERT, page 6

At that summit, I will lay out my vision of education for America's children. And I will share with you my thoughts about goals for our nation, so that together we can begin to develop and implement a set of national education goals. By working together, we can reach a consensus on long-term goals, ways to better the schools of America.

As we all know, dollars are not the problem. We have enough dollars for education. What we need is to ensure that those funds are spent in the best way for us to achieve excellence in education.

To make those dollars work better, we need to pay more attention to the the demand side of education, that is, to the needs of millions of students and parents. And we need to demand more of ourselves, teachers, administrators, and our children for the dollars we spend on education.



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Memorandum

Subject: National Governors' Association Remarks

Date: July 24, 1989

From: *Catherine Bedell*
Catherine A. Bedell
Deputy Assistant Secretary
for Public Affairs

Reply to
Attn. of:

To: Chriss Winston
Deputy Assistant to the President
for Communications

I understand that President Bush will be addressing the meeting of the National Governors' Association in Chicago on Monday, July 31. Since his remarks will immediately precede Secretary Skinner, I would like to ask if it is possible to include some language mentioning the Secretary's efforts toward putting together a National Transportation Policy. As you may have heard, this National Transportation Policy is a key goal of the Secretary's and was officially "launched" in an address at the National Academy of Sciences today.

I have enclosed background material and clippings on the Policy. If you have any questions please contact me at 366-4531. I appreciate your assistance in this matter.

Attachments



By DAVID BRISCOE=

WASHINGTON (AP) - Stuck in traffic? Tired of waiting for the bus? Fed up with rising air fares?

Transportation Secretary Samuel Skinner is trying to find out what Americans want to do about it.

But Skinner, in starting Monday a series of nationwide public hearings aimed at coming up with a national transportation policy, is asking for ideas, not complaints.

"You shouldn't go if you're just going to say, 'We've got gridlock, somebody ought to do something about it,' because we know that," said Skinner in an interview. "These are needs and idea sessions."

Skinner, who carries a regular Washington Metrorail card in his wallet and drives to work on the same jammed roads as this region's other commuters, said the nation has been taking transportation for granted.

And he makes it clear this includes the Reagan administration. Skinner is a former federal prosecutor and Chicago area transit chief brought to Washington by President Bush.

"We've had a policy, but there hasn't been a coordinated national policy," he said. "There was an absence of planning, and I happen to be a planner."

Skinner said the nation's airports, highways, bridges, waterways and mass transit system are simply wearing out.

"We're going to have to rebuild it and replace it, or we're not going to be able to rely on it anymore," he said.

Among the most critical problems are a lack of planning for new airports, Skinner said, and \$80 billion worth of work on the country's deteriorating bridges.

The Transportation Department has scheduled 33 meetings in cities ranging from Moscow, Idaho, to New York City.

Meetings are to be moderated by department experts in various fields, with sessions focusing on different subjects according to the location.

In Moscow on Wednesday, for example, it's rural needs, including health care delivery, intercity buses and rail transport. In New York on Sept. 8, it will be drug and alcohol use in the commercial transportation system and federal research and development.

The last meetings will be Sept. 11-12 in Boston.

Skinner has asked for expert testimony at the hearings as well as comments from anyone interested in improving any aspect of highway, rail, air, or water transportation.

Skinner has some of the most wide-ranging responsibilities in the administration. He is Bush's point man in the Alaskan oil spill because his department oversees both the Coast Guard and pipelines. He's also issued key decisions affecting issues ranging from automobile mileage standards to air terrorism.

The department is accepting written suggestions until Sept. 1. Skinner said he hopes to have a new set of transportation policies in place before the end of his first year in the Cabinet.

What will it all amount to when the policy is set?

Skinner sees ambitious results affecting every American:

"Maybe it will eliminate gridlock. Maybe it will make it easier for you to get to work. Maybe it will hold down air fares. Maybe it will make you more productive in your job by making it easier to get to various places in the country."



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

June 1989

**BASIC QUESTIONS AND ANSWERS CONCERNING
DEVELOPMENT OF A NATIONAL TRANSPORTATION POLICY**

WHY IS THE DEPARTMENT DEVELOPING A NATIONAL TRANSPORTATION POLICY?

As the post-war period of building America's basic transportation infrastructure draws to a close, much has been accomplished. Among many successes, we have a nearly complete system of intrastate and interstate highways, an integrated network of national and international airports, and a revitalized railroad industry. In short, the Nation has in place a transportation system that provides for the safe and generally efficient movement of people and goods. Today we stand at the threshold of a new era, where the challenge is to maintain and build upon our past achievements by continuing to ensure a safe and efficient transportation system, promoting further economic growth, and addressing growing public concerns in such vital areas as environmental quality, energy, national security and international competitiveness. And we must deal with these matters amid changing demands on our transportation system, increasing congestion and capacity problems, and tight fiscal constraints.

The Department of Transportation is developing a national transportation policy as the critical first step in dealing with the challenge of a new era. A National Transportation Policy Statement, to be issued by the Secretary early next year, will set forth the framework through which decisions on transportation infrastructure, services and related needs can be systematically assessed and implemented during the next decade and into the 21st Century.

HOW IS THE POLICY BEING DEVELOPED?

The Department's policy development process consists of four principal components:

1. **A Context for Transportation Policy.** This document, now under preparation for publication in July, will briefly examine the current national transportation system and its external environment, and will summarize key issues, both cross-cutting and modal specific, related to transportation today and in the near future. Additionally, it will describe the remaining tasks to be undertaken in the development of a national transportation policy and provide a framework for input and discussion during Policy Development Outreach.
2. **Policy Development Outreach.** During July-September the issues, positions and recommended solutions of the transportation

community, including consumer, industry, labor, government and other interest groups, will be solicited and examined by six Transportation Clusters which are organized largely by market areas and are headed by senior Departmental staff. The six Clusters are Urban/Suburban, Rural America, Intercity Freight, Intercity Passenger, International, and Innovation/Human Factors. In organizing Clusters along market lines, the Department is seeking a multimodal perspective on both short- and long-range transportation issues, problems and solutions. Each Cluster will be reaching out through meetings with transportation organizations, public hearings, discussion groups and other events to obtain the views of concerned parties and individuals and to build a consensus for a national policy. A formal schedule of Cluster events, subjects, dates and locations will be announced in early July. In addition to those events, the views of the Congress will be solicited by the Department's Office of Governmental Affairs. The information obtained from the Outreach process will constitute the major inputs to the Administration's National Transportation Policy Statement.

3. **Public Issues Seminars.** Concurrently with Outreach, a series of seminars will be held under the auspices of the Department's Research and Special Programs Administration to examine certain issues having broad implications for the development of a national transportation policy. Preliminary plans call for seminars addressing special needs of the transportation disadvantaged, transportation and energy, national security transportation needs, environmental considerations in achieving national transportation goals, and transportation's role in economic growth. Each seminar will include about 50 participants representing the various stakeholders and constituency groups relevant to the seminar subject, and will feature prepared papers from leading experts followed by panel discussions among the participants. Final agendas and schedules will be announced in early July.
4. **Overall Policies and Strategies.** In addition to the above three components, the development of a national transportation policy will draw upon internal staff work with strong outside support. This will involve filling in information gaps and developing final policies and appropriate short- and long-term strategies.

HOW CAN YOUR ORGANIZATION PARTICIPATE IN THE POLICY DEVELOPMENT PROCESS?

The Department invites and is committed to obtaining input from the entire spectrum of transportation consumers and producers. Only with the participation and support of the entire transportation community can we ensure successful development of a national policy. Over the next several weeks many organizations will be contacted by the Department in conjunction with Policy Development Outreach. Meanwhile, if you wish to express your interest to the Department in participating in the policy development process, or should you have any questions concerning the process, you can write or call any of the individuals listed in enclosed directory. You can also watch for public notices in the Federal Register and local press concerning Market Cluster events.

**PERSONS TO CONTACT FOR FURTHER INFORMATION ON
THE DEVELOPMENT OF A NATIONAL TRANSPORTATION POLICY
U.S. Department of Transportation**

For information on the overall Policy Development process:

Tony Kane, National Transportation Policy
Team Director
Room 3222
400 7th Street, S.W.
Washington, D.C. 20590
(202) 366-0100

For information on the Outreach component of Policy Development:

Patrick V. Murphy, Deputy Assistant Secretary
for Policy & International Affairs
Room 10228
400 7th Street, S.W.
Washington, D.C. 20590
(202) 366-4551

For information on the activities of particular Market Clusters:

<u>MARKET CLUSTER</u>	<u>CLUSTER LEADER</u>
URBAN/SUBURBAN TRANSPORTATION SYSTEMS & SERVICES <i>People and goods moving within metropolitan areas</i>	John Cline, Associate Administrator for Budget & Policy Urban Mass Transportation Administration Room 9310 400 7th Street, S.W. Washington, D.C. 20590 (202) 366-4050
RURAL AMERICA TRANSPORTATION SYSTEMS & SERVICES <i>People and goods moving within and between less populated areas</i>	Joe Rhodes, Director, Office of Policy Development Federal Highway Administration Room 3317 400 7th Street, S.W. Washington, D.C. 20590 (202) 366-0587
INTERCITY FREIGHT: DOMESTIC TRANSPORTATION SYSTEMS & SERVICES <i>Goods moving long distance within the United States</i>	Bill Watt, Associate Administrator for Policy Federal Railroad Administration Room 8300 400 7th Street, S.W. Washington, D.C. 20590 (202) 366-0173
INTERCITY PASSENGER: DOMESTIC TRANSPORTATION SYSTEMS & SERVICES <i>People moving long distance within the United States</i>	Dale McDaniel, Acting Associate Administrator for Policy, Planning and International Aviation Federal Aviation Administration Room 1005D 800 Independence Avenue, S.W. Washington, D.C. 20591 (202) 267-9105
INTERNATIONAL TRANSPORTATION SYSTEMS & SERVICES <i>People and goods moving from or to the United States</i>	Arnold Levine, Director, Office of International Transportation and Trade Office of the Secretary Room 10300 400 7th Street, S.W. Washington, D.C. 20590 (202) 366-4368
INNOVATION & HUMAN FACTORS IN TRANSPORTATION <i>New technologies and the interplay of users and providers with transportation systems</i>	Mark Dowis, Executive Assistant to the Administrator Research & Special Programs Administration Room 8410 400 7th Street, S.W. Washington, D.C. 20590 (202) 366-4433



U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Monday, July 17, 1989

DOT 89-89
Contact: Al Maruggi
Tele: (202) 366-5580

PUBLIC INPUT SOUGHT FOR NATIONAL TRANSPORTATION POLICY

The Department of Transportation today released a schedule of 32 public hearings across the nation designed to facilitate public participation in the development of a National Transportation Policy, scheduled for completion in early 1990.

At the direction of Secretary Samuel K. Skinner, the Department of Transportation is developing a national transportation policy to set a framework through which decisions on transportation infrastructure, services, and related needs can be assessed and implemented during the next decade and into the 21st century.

"I am particularly interested in the attitudes and opinions of the people who actually use our transportation system, for it is the motorist, business traveller, and commuter that stand to gain the most from this far reaching, coordinated national policy," said Secretary Skinner.

The National Transportation Policy Team consists of six working groups that will analyze transportation topics such as safety, energy, environment, finance, infrastructure, efficiency, public and private sector roles, and innovation. The working groups and some of their issue areas are as follows:

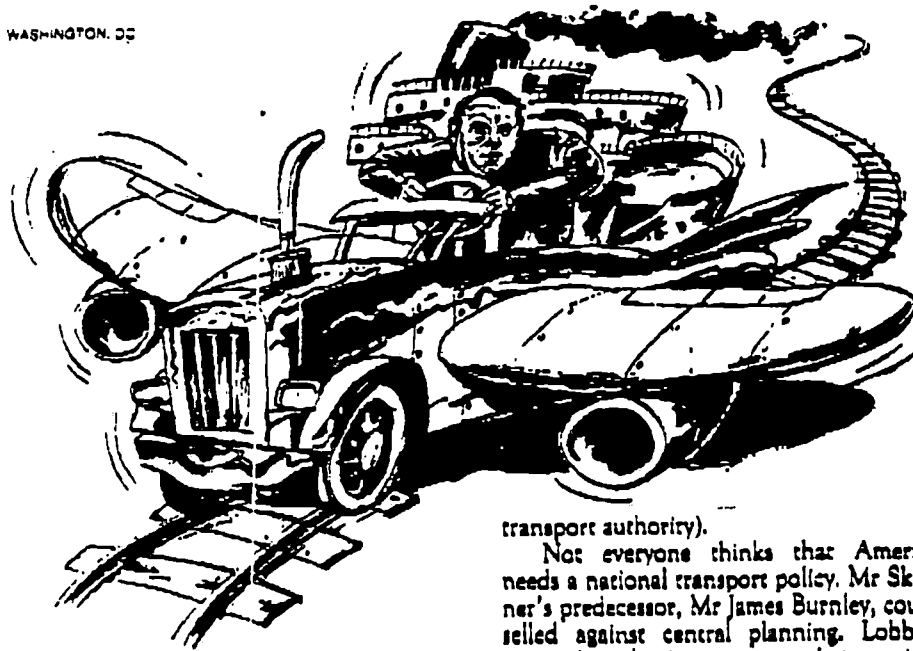
Urban/Suburban: Travel congestion, improving public transportation, corridor preservation, special mobility needs;
Rural: Health care delivery, intercity bus and rail transport;
Intercity Passenger: Preserving and expanding infrastructure, capacity, competition between rail, highway, and air travel;
Intercity Freight: Economic deregulation, competition, safety, and efficiency;
International: Foreign investment in transportation infrastructure, expanding service, efficient and safe operation of U.S. flag and other carriers;
Innovation and Human Factors: drug and alcohol use in the commercial transportation system, federal research and development.

Interested parties should contact Dr. Anthony R. Kane, National Transportation Policy Team Director, U.S. Department of Transportation, Room 5102A, 400 7th St., SW, Washington, D.C. 20590. The tentative public hearing schedule is attached.

Transport

Paved with problems

WASHINGTON, DC



Skinner's Chitty Chitty Bang Bang

THANKS to the country's size, economic growth in America has always depended on getting about. The railroad opened up the American West. Eisenhower's 1956 highway act started an interstate system that will be more or less completed by 1991. The country has 2.3 million miles of paved roads; its airports handled 457 million passengers last year, double the number in 1974.

Yet instead of praise for a splendid transport network there is a tired litany of complaint. Airports are congested; ticket prices rising. Across the country—from Los Angeles to Boston—commuter journey times are lengthening and average speed falling. In 1987 two-thirds of urban interstate highways were officially congested during peak hours, up from two-fifths in 1975. Inconvenience is not the only grumble. Delay costs the economy dear. For every dollar's worth of American exports, 25 cents is spent on transport—and the cost grows with increased congestion.

Mr Sam Skinner, the new secretary of transport, is preparing to step gingerly into this mess. For the first time in the country's history, he will be presenting a national transport policy. The consultation exercise will be formally launched on July 24th. Officials plan to hold 72 meetings round the country over the following months. The state highway officials' association (AASHTO) has already chipped in its own plan called Transportation 2020. The National Governors' Association will soon publish a report on transport infrastructure (the chairman of its drafting committee is Governor Jim Thompson of Illinois, where Mr Skinner served as attorney-general and as chairman of the Northeastern Illinois

transport authority).

Not everyone thinks that America needs a national transport policy. Mr Skinner's predecessor, Mr James Burnley, counselled against central planning. Lobbies worry about having to protect their particular transport patch. But decisions on, say, rail-freight regulation affect demand for air freight. And issues such as user fees or investment priorities need to be considered across the board. Mr Skinner learnt in his early career at IBM the value of working to some sort of strategic plan.

Drawing up a plan will not be easy. Getting road, rail and air battalions to co-operate within the transport department is almost as hard as doing the same at the Pentagon with the army, navy and air force. The boundary between federal, state and local responsibility is constantly blurring and shifting. So is the boundary between public and private sectors.

Congressional jurisdiction is a shambles. In the Senate, rail and air come under the commerce committee, roads under the environment committee and mass transit under the banking committee. Finance brings in the budget, appropriations and finance committees. Piloting bills through Congress would be tricky even if policy arguments could be avoided.

Which, of course, they cannot be. Airline deregulation, for instance, is a favourite whipping boy. Passengers are upset by the near-monopolies that many airlines have at their hub airports. They are bewildered by discounts, frequent-flyer offers and other gimmicks. They are suspicious of the links between big airlines, the computer-reservation systems they own and the travel agents. Mr Skinner sees this fuss as primarily about competition; he is not about to reregulate the industry. But he may find competition politically difficult if this means letting in more foreign airlines.

As ever, money is short. America's investment in public infrastructure has fallen from 2.3% of GNP in 1960 to just over 1% now. The states are calling for massive new investment—AASHTO wants a 43% increase

in annual spending on surface transport alone—and they expect federal help. Mr

Skinner accepts the case for additional investment but looks to the states to shoulder most of the burden.

Lobbyists retort with a Washington myth: the surpluses in the federal trust funds for highways and airports that come from, respectively, taxes on petrol and on air tickets. Unspent balances in each, they say, amount to \$15 billion. But the Congressional Budget Office has demonstrated that these trust-fund surpluses are illusory. The highways fund will be exhausted by authorised spending; the airport surplus exists only because general taxes finance a big chunk of the Federal Aviation Authority.

The focus on the budget could divert attention from three important issues: investment appraisal, traffic management and pricing. An example of poor investment, says a new Brookings Institution study, is building heavily used roads with too thin a surface: thicker roads that need less maintenance would be wiser. Or consider mass-transit railways in Washington and Atlanta. Only one-seventh of their capacity is used: both cities were slow in waking up to the suburb-to-suburb pattern of half of today's commuting.

Traffic management could be improved through better traffic-light co-ordination, or greater encouragement of car and van pooling. Technical progress may help, too: Californian experiments with "smart" cars and roads offer promising results. Airport congestion is often caused by underinvestment in advanced air-traffic control facilities, rather than the lack of gates or runways.

The greatest gains in efficiency could come from more efficient pricing. In principle the public sector's road and air costs (but not those for rail or mass transit) are financed by users through taxes. But not all use is fairly paid for. Rich people's use of private aviation is subsidised by commercial passengers. Heavy lorries that do most damage to road surfaces are subsidised by light ones. In some states the tax system encourages lorries with fewer axles—even though road damage is proportional not to overall weight but to weight per axle.

These are minor glitches compared with the biggest fault of all: prices do not rise for peak-hour use, when nearly all the costs and stresses of delays are incurred. The practical and political objections to direct charging for peak-hour use are strong. Yet some experimenting with peak-hour pricing may come. Hongkong has tried electronic monitoring of car movements; Singapore operates flat-rate peak-hour pricing. And at America's four high-density airports the trading of landing and take-off slots already takes place. At this stage Mr Skinner is too canny a politician to be drawn on congestion pricing, which would initially be unpopular. But he may find it the best single solution to America's transport worries.

Op-Ed Piece
by Secretary Samuel K. Skinner
U.S. Department of Transportation

THE NATIONAL TRANSPORTATION POLICY:
A MAP TO GET FROM NOW TO THE FUTURE

The nation's greatest transportation project, President Eisenhower's interstate highway system, is nearing completion. Americans are proud of their freedom and ability to travel from one end of our land to the other. The next challenge is how to preserve and enhance our mobility.

We cannot take our transportation system for granted. We must maintain and selectively expand our roads and transit systems and enhance our air traffic capacity.

Walking through a busy airport or sitting in rush hour traffic provides real meaning to the words "capacity problems" in transportation. However, as Jimmy Durante said, "You ain't seen nothing yet". By the year 2000, U.S. airlines will be carrying 70 percent more passengers than today and over 200 million cars and trucks will be crowding our highways.

These staggering statistics signal the critical need for a national transportation policy that addresses today's problems, and deals with our country's transportation needs into the year 2020 and beyond. Such a system is essential to the country's economic vitality and its national defense.

Few business executives would think of operating their company without a strategic plan. Yet, transportation accounts for as much as a fifth of our nation's gross national product and as a nation we do not have a firm assessment of where we are headed or the obstacles we are likely to encounter.

One of my highest priorities is to develop such an assessment by the beginning of 1990. A group of experts from both government and the private sector, called the National Transportation Policy Team, is developing a strategic policy to help make transportation more efficient, less expensive and above all safe for the American consumer.

This team consists of several major working groups that will zero in on specific areas of transportation. They are:

- *Urban/Suburban Transportation Systems and Services
- *Rural America Transportation Systems and Services
- *Intercity Passenger: Domestic Transportation Systems and Services
- *Intercity Freight: Domestic Transportation Systems and Services
- *International Transportation Systems and Services
- *Innovation and Human Factors in Transportation

These groups will hold public hearings and work with transportation industry associations to assess current demand and project future transportation needs.

The policy will consider how mass transit, highways, airports, seaports, and railroads can complement each other and provide total transportation service to Americans. The team will seek answers to questions such as: How can we solve the problems of airport congestion and air traffic control capacity? What is the future for high-speed passenger trains in heavily populated transportation corridors of the country? How can we repair and extend our highway and bridge systems and who will pay the bills? Can private entrepreneurs be "primary players" in mass transit services? How can public transportation relieve some of the pressure on the highway and aviation systems? Will transportation into space be a mission controlled by the federal government or by the private sector? Will U.S. maritime resources be adequate for civil and military needs?

For this to be a realistic transportation strategy for the next century, it must also consider factors such as: environmental impact, international trade, economic opportunity, energy resources, and national security requirements while painting the transportation picture of the 21st century.

After this assessment, we must then find the means to get the job done. We may have more requirements than resources, but this should stimulate creative solutions, not induce stagnation. Both the highway and the airport programs will be reauthorized in 1991. This process will provide an opportunity to work with Congress in tackling some of our tough transportation problems and presenting a vision for the future.

There are many variables remaining, but one item is certain - this effort will require cooperation from every level of government, from every aspect of the private sector and from every creative transportation user.

In the coming weeks you or your organization may have constructive ideas regarding the future of transportation, if so please send them to me. Our working groups will seek to incorporate them into the National Transportation Policy. Input from all aspects of the transportation industry is important.

I like Wayne Gretzky's definition of strategy. Ice hockey's greatest player says he skates to where the puck is going to be. Our task is to anticipate transportation needs and stay ahead of the curve.

##



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

NOTICE:

Enclosed are comments from staff members of the Office of Management and Budget (OMB). Such comments do not necessarily represent the official position of the Director of OMB or of the Office of Management and Budget. If you wish to have the Director's personal comments, please let me know -- and contact me if you have any questions.

A handwritten signature in black ink, appearing to read "David J. Haun". The signature is fluid and cursive, with a long horizontal stroke at the end.

David J. Haun
Executive Assistant
to the Director

WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/24/89 ACTION/CONCURRENCE/COMMENT DUE BY: C.O.B. Tuesday 07/25

SUBJECT: PRESIDENTIAL REMARKS: N.G.A. - CHICAGO, IL
(07/21 Draft one)

	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"/>
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CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>ANDERSON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BENNETT</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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REMARKS: Please provide any comments/recommendations directly to Chriss Winston by close of business on Tuesday, 07/25, with a copy to my office. Thanks.

RESPONSE: *See comments.*

68 JUL 26 4:08 PM '89

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

Davis/Martin
July 21, 1989
Draft: One
Title: Governors

PRESIDENTIAL ADDRESS: N.G.A./HYATT REGENCY, CHICAGO
Monday, July 31, 1989/10 a.m.

*Grady x4844
(Why nothing about
Clean air? How
about Insert A?)*

Governor Baliles ((Baa-lyles)), I want to commend you on the success of your chairmanship. Governor Branstad, you will bring your energy and vision to a Governors' Association that has already become a powerhouse of ideas -- ideas to lead America as we face the challenges of a new century.

I also want to salute our host and my good friend, Jim Thompson -- a great governor and a former N.G.A. Chairman who has rocked the world of Illinois politics by announcing he will not run for a fifth term . . . ((And to think, Jim, they were just getting used to you.))

And if I may, let me recognize my chief of staff, another former N.G.A. Chairman, ((and another quiet and retiring soul)), John Sununu . . . ↗

Let us begin by asking: what is the role of the governor in American political life? Well, the great 19th-century observer of American politics, Alexis de Toqueville once asked a country politician the same question. The answer he got was this: "The governor counts for absolutely nothing and is paid only twelve hundred dollars." ((PAUSE))

Well, you still can't get rich off a public salary. But today, the office of governor counts for a great deal. In fact,

And, as a final note of introduction, let me say "thank you" and "job well done" to two governors for whom this will be the last major NGA meeting: Gerry Baliles of Virginia and Tom Kean of New Jersey.

*Grady
x4844*

leadership in America is increasingly the sum of **your** efforts and **your** vision.

As I look around me, I see more than fifty men and women representing America's states, commonwealths and territories. I see a people as diverse as our geography, as different as Bill Clement's Texas and John Waihee's Hawaii, Bob Martinez's Florida and ^{Jock} John McKernan's beloved Maine.

Grady
x4844

And yet, we are a people, one nation, indivisible. Just as we share our cherished Constitution, so we also share common challenges and responsibilities. To become competitive as a nation, we must become competitive as states. To cure our nation of illiteracy, drug abuse and crime, we must act in tandem, president with governor, and governor with mayor, up and down the line. In short, we must find our collective will as a nation.

That is why I have come to Chicago to meet with my fellow chief executives. We share, as executives, a special responsibility . . . some describe it as a great burden. But for us, if it is a burden, it is one cheerfully accepted. To sit where the buck stops, to resolve disputes, to help those in need and to set a course for the future, is to know a special kind of satisfaction.

In fact, our missions as executives are so similar that many presidents have called on you for guidance. It was Teddy Roosevelt who called the nation's first conference of governors - - the forerunner of this association -- at the White House. He

brought the nation's governors together to call for conservation, for an end to the reckless denuding of our forests.

It was another Roosevelt, also a great governor of New York before he was a great president, who called on the governors to help him stem the financial crisis of the Great Depression.

Today, we do not meet in a spirit of immediate crisis. The nation is ^{doing well} sound. But the decline of our education, the threat of crime and drugs, the economic dependency of so many, -- these [^] simmering problems threaten to endanger the very leadership position of America in the next century.

For America to remain competitive will require your best efforts, your executive know-how. The ultimate challenge, as Governor Baliles puts it, is "to become again the Yankee traders we once were." For the governors to formulate a creative response to our nation's competitive position is more than perceptive; it is forward-looking, an attribute of the best kind of leadership.

As you know, I have just returned from an economic summit where the competitive position of our nation was an underlying theme in discussions on the great economic issues of trade, monetary policy and international debt. But no less important to America was the start of my journey . . . in Eastern and Central Europe. Of course, in economic terms, Poland and Hungary today are not the economic magnets that we find in Western Europe or the Pacific Rim. But I saw a tremendous potential in the awakening spirit of those lands. No one who has witnessed the

Mollin x3060
("Sound" seems to imply no problems; yet in the next sentence, problems are discussed.)

Mollin x3060
Environmental Problems

may not sit well with Southern Governors
(Danna x5044)

courage of the workers of Gdnask, or the exuberance of the young people of Budapest, could doubt the coming achievements, the future greatness of the Polish and Hungarian peoples.

America can be the catalyst for change in these countries -- change that is certain to open new markets for American products. But we have our eyes on a greater vision of what trade means -- not just the trading of goods, but the free flow of people and ideas that can only be called freedom. ((PAUSE))

And the beauty of it is that we can boost reform without massive government-to-government programs. We can do the most good, as American leaders, by simply facilitating trade and investment, by simply opening doors for opportunity.

To open these doors will require leadership at every level of government. That is one reason why I have come to Chicago, to enlist your leadership, to ask each of you to go to Poland, to go to Hungary. While governors have no formal role in foreign policy and trade, you are becoming our economic envoys and our ambassadors of democracy. You are a new force in restoring American international competitiveness.

Of course, your focus is on the critical domestic issues. As chief executives, we know first-hand how crucial our social health is to the future position of America.

A nation in which a half of the youngest generation is ignorant of geography, in which drugs are rampant, in which a substantial proportion of the population knows no hope -- such a nation will not long remain competitive. In the final analysis,

improving our schools, driving out drugs and bringing hope and opportunity to those who need it most -- these are issues of our national well-being, even our national security.

EDUCATION REFORM

First and foremost are our children and their education. Franklin Delano Roosevelt said: "We can light a candle or curse the darkness." Working together, you and I can ~~bring~~ *bring light a candle* enlightenment to every classroom in America. *Molhu*

On April 5, I sent to Congress an educational reform package, based on a few principles rooted in the practical experience of the states. To have reform, excellence and achievement must be recognized and rewarded. To have reform, federal dollars should be targeted to those most in need. To have reform, we need flexibility and choice -- choice for parents, and choice for schools in their selection of teachers and principals. Finally, the essence of reform is accountability in education and reward for those schools that show progress. *x 3060*

If implemented, I believe that these measures will restore the quality of American education and redeem the future of millions of children. But there is more to be done. On June 5, I asked the business community to study what the private sector can do to energize and support educational reform. Now I want to renew my pledge to assemble the executive talent of America in a summit, to share ideas and to explore options for educational progress. I invite you to a summit on education, to be held in ((_____))

1/26/78 x 5178

at ((high school)) on September ((date)). By working together, we can reach a consensus on long-term goals, ways to better the schools of America.

Handy
x4844

ENVIRONMENT

[insert attached page here]

CRIME

As chief executives, we also see drugs and crime as the most harrowing domestic threat to the future of America.

I proposed, on May 15th, a common-sense approach to crime to limit criminals' access to weapons, to reform the criminal justice system, to enhance enforcement and prosecution, and to expand prison capacity to ensure both the certainty and severity of punishment. I propose the hiring of 825 new federal agents and staff; 1,600 new prosecutors and staff; and an additional one billion dollars for federal prison construction. ✓

I have proposed tough new laws, including mandatory ^{prison terms} ~~time~~, no deals without cooperation, and the death penalty for cop-killers. ✓

To effectively fight crime, we need the same approach at the state level. **Work with us, toughen your laws, and together we can take back the streets. ((PAUSE))**

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WELFARE REFORM

Finally, America cannot continue to lead the world if we lag in providing opportunity at home.

Last year, as you know, Congress and the Administration enacted major welfare reform legislation, the Family Support Act of 1988. This Act grew out of a consensus that the well-being of

Insert A (NGA speech, July 31st)

If we're concerned about the longer term, we must be ready to work together to clean up our environment. As you know, I've invested a substantial portion of time this Spring in crafting a proposal for the first major revision of the Clean Air Act in over a decade.

It hasn't been easy. Some environmental leaders say it doesn't go far enough. Some industry leaders say it is much too restrictive. Yet some environmental groups and some companies have endorsed our effort.

We've tried to consult with all parties -- including governors and Members of Congress from both parties. ~~And we made the following decision: What we care about is environmental protection. So we set very tough standards.~~
But Yes, we built in flexibility for the states, and flexibility for industry -- because that can reduce the cost and break the long-standing legislative logjam.

Now, there are some who reject the notion of flexibility -- they argue that command and control regulation is the way to go. I can only say that these are the same people who for ten years have had no bill -- and dirty air.

We've had our hand extended to all groups. We're ready to work with Congress and with the governors to pass a bill this year. I would hate now to see that extended hand slapped away for partisan reasons -- because the real losers in that event would be the American people.

The potential for consensus is there. The American people want clean air. Now let's work together to see that they get clean air.

children depends on more than ~~more~~ material needs. Children need a family environment that encourages self-sufficiency. In a word: character.

W. Moller
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With this in mind, I reestablished the Low Income Opportunity Board within the White House. And I have asked the board to assist you in the complex and time-consuming process of obtaining federal approvals for experiments in state welfare reform. So many innovative policies have come from the states. Let us continue to work together to keep your administrations free to experiment, free to be creative.

CONCLUSION

Many of our responsibilities overlap in education, law enforcement and welfare. At times, there has been friction between the states and the "feds." Perhaps what we need between the federal government and the states is a friendly competition well known to Chicagoans. Here, along the majestic lakefront skyline, there has been an on-going competition among developers to retain the title of the world's tallest building. ((You might say this gives the phrase one-upmanship a whole new meaning.))

Yet, this is the kind of one-upmanship that builds, not destroys, that lifts, not lowers, that takes us all a little closer to the stars.

I have committed the powers of my office to lift America -- starting in the classrooms and the streets.

Working together, we can achieve a national consensus.
Working together, we can make the next century another American
century.

Thank you, God bless you and God bless America.

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