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**Subseries:** Chron File, 1989-1993

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**OA/ID Number:** 13516  
**Folder ID Number:** 13516-002

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**Folder Title:**  
Cincinnati Chamber of Commerce 1/12/90 [OA 4390] [2]

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Stack:	Row:	Section:	Shelf:	Position:
<b>G</b>	<b>25</b>	<b>6</b>	<b>7</b>	<b>1</b>

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January 10, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM: BOB SIMON *BS*  
SUBJECT: CINCINNATI SPEECH -- O.M.B. COMMENTS

I do not agree with OMB's changes regarding the expansion on page 4 and the unemployment rate on page 7.

On page 4, my source is Building a Better America (attached).

On page 6, my source is the 1989 Economic Report of the President (attached). According to BLS, the average yearend unemployment rate for 1989 was 5.3%.

I specifically asked Peter Taylor of CEA to check these figures and you can see from his comments that he had no changes.

Let me know if you have any questions.

December 11, 1989

**BUILDING A BETTER AMERICA**  
**ACCOMPLISHMENTS OF THE BUSH ADMINISTRATION**

**KEEPING THE ECONOMY STRONG**

Maintaining the current economic expansion with low inflation is the key to improving standards of living, increasing job opportunities for all Americans, and increasing investment in productive capacity. Economic performance during this expansion has been exceptionally good with extraordinary job growth. The policies of the Bush Administration are designed to preserve this strong record.

- o **Record Peacetime Expansion:** The current expansion reached 84 months in November. This is the second longest economic expansion in U.S. history and the longest peacetime expansion.
- o **Job Creation:** Over 20.7 million new jobs have been created during this expansion, and this year the unemployment rate has reached levels not seen in over 16 years. The benefits of robust economic growth have been shared by all demographic groups as indicated by historically low unemployment rates for women and minorities. During this decade, America has created more new jobs than Japan and the nations of Western Europe combined. A higher percentage of American adults is at work than at any other time in our history.
- o **Inflation Under Control:** Consumer price inflation has remained under 5 percent in each of the seven years from 1982 to 1988, and the recent slowing in economic growth to a sustainable rate will lessen price pressures in the near future. In the last twelve months, the CPI has increased only 4.5 percent and, in the last three months, the index has risen at an annual rate of only 2.6 percent.
- o **Record Income:** Real per capita disposable personal income -- personal income after taxes and inflation -- has risen 20 percent during this expansion.
- o **Higher National Saving and Investment:** Partly due to the discipline of the Gramm-Rudman-Hollings process, the Federal deficit has declined from 6.3 percent of GNP in fiscal year 1983 to 3.0 percent in FY 1989. The personal savings rate averaged 5.3 percent over the first three quarters of 1989, well above its recent low of 3.2 percent in 1987.
- o **New Business Incorporations:** During the first nine months of 1989, 520,108 new corporations were formed. Ninety-eight percent of these new corporations are small businesses. At

TABLE B-39.—Unemployment rate, 1948-88  
[Percent; monthly data seasonally adjusted]

Year or month	Unem- ploy- ment rate, all work- ers <sup>1</sup>	Unemployment rate, civilian workers <sup>2</sup>														
		All civi- lan work- ers	Males			Females		Both sexes 16- 19 and years	White	Black and other	Black	Experi- enced wage and salary workers	Mar- ried men, spouse pres- ent <sup>3</sup>	Women who main- tain fam- ilies		
			Total	16- 19 years	20 years and over	16- 19 years	20 years and over									
1948	5.2	3.8	3.6	9.8	3.2	4.1	8.3	3.6	9.2	3.5	5.9	.....	.....	4.3	3.5	.....
1949	5.2	5.9	5.1	12.7	4.7	5.7	11.4	5.1	12.2	4.9	9.0	.....	.....	6.7	.....	.....
1950	5.2	5.3	2.8	8.1	4.7	4.4	8.3	4.0	8.2	3.1	5.3	.....	.....	6.0	.....	.....
1951	5.2	3.0	2.8	8.9	2.5	4.4	8.0	3.2	8.5	2.8	5.4	.....	.....	3.7	.....	.....
1952	2.8	2.9	2.8	7.9	2.5	3.3	7.2	2.9	7.6	2.7	4.5	.....	.....	3.4	.....	.....
1953	2.8	5.5	5.3	13.5	4.9	6.0	11.4	5.5	12.6	5.0	9.9	.....	.....	3.2	.....	.....
1954	4.3	4.4	4.2	11.6	3.8	4.9	10.2	4.4	11.0	3.9	8.7	.....	.....	6.2	.....	.....
1955	4.0	4.1	3.8	11.1	3.4	4.8	11.2	4.2	11.1	3.6	8.3	.....	.....	4.8	.....	.....
1956	4.2	4.1	4.1	12.4	3.6	4.7	10.6	4.1	11.6	3.8	7.9	.....	.....	4.4	.....	.....
1957	4.6	4.3	6.8	17.1	6.2	6.8	14.3	6.1	15.9	6.1	10.7	.....	.....	4.6	.....	.....
1958	6.6	5.5	5.2	15.3	4.7	5.9	13.5	5.2	14.6	4.8	10.7	.....	.....	7.3	.....	.....
1959	5.3	5.5	6.4	15.3	4.7	5.9	13.9	5.1	14.7	5.0	10.2	.....	.....	5.7	.....	.....
1960	5.4	5.5	6.4	17.1	5.7	7.2	16.3	6.3	16.8	6.0	12.4	.....	.....	6.8	.....	.....
1961	6.5	6.7	6.4	17.1	5.7	7.2	16.3	6.3	16.8	6.0	12.4	.....	.....	5.7	.....	.....
1962	5.4	5.5	5.2	14.7	4.6	6.2	14.6	5.4	14.7	4.9	10.9	.....	.....	6.8	.....	.....
1963	5.0	5.7	5.2	17.2	4.5	6.5	17.2	5.2	17.2	5.0	10.8	.....	.....	5.6	.....	.....
1964	5.0	5.2	4.6	15.8	3.9	5.5	16.6	4.5	16.2	4.6	9.6	.....	.....	5.6	.....	.....
1965	4.4	4.5	4.0	14.1	3.2	5.5	15.7	4.5	14.8	4.1	8.1	.....	.....	5.0	.....	.....
1966	3.7	3.8	3.2	11.7	2.5	4.8	14.1	3.8	12.8	3.4	7.3	.....	.....	4.3	.....	.....
1967	3.7	3.8	3.1	12.3	2.3	5.2	13.5	4.2	12.9	3.4	7.4	.....	.....	3.5	.....	.....
1968	3.5	3.6	2.9	11.6	2.2	4.7	14.0	3.8	12.7	3.2	6.7	.....	.....	3.4	.....	.....
1969	3.4	3.5	2.8	11.4	2.1	4.7	13.3	3.7	12.2	3.1	6.4	.....	.....	3.3	.....	.....
1970	4.8	4.9	4.4	15.0	3.5	5.9	15.6	4.8	15.3	4.5	8.2	.....	.....	4.8	.....	.....
1971	5.8	5.9	5.3	16.6	4.4	6.4	17.2	5.7	16.9	5.4	9.9	.....	.....	5.7	.....	.....
1972	5.5	5.6	5.0	15.9	4.0	6.6	16.7	5.4	16.2	5.1	10.0	.....	.....	5.3	.....	.....
1973	4.8	4.9	4.2	13.9	3.3	6.0	15.3	5.4	14.5	4.3	9.0	.....	.....	4.5	.....	.....
1974	5.5	5.6	4.9	15.6	3.9	6.7	16.6	5.5	16.0	5.0	9.9	.....	.....	5.3	.....	.....
1975	8.3	8.5	4.9	20.1	6.8	9.3	19.7	8.0	19.9	7.8	13.8	.....	.....	8.2	.....	.....
1976	7.6	7.7	7.1	19.2	5.2	8.2	18.7	7.4	19.0	7.0	13.1	.....	.....	7.3	.....	.....
1977	6.9	7.1	6.3	17.3	5.2	8.2	18.3	7.0	17.8	6.2	13.1	.....	.....	6.6	.....	.....
1978	6.0	6.1	5.3	15.8	4.2	6.8	17.1	6.0	16.4	5.2	11.9	.....	.....	5.6	.....	.....
1979	5.8	5.8	5.1	15.9	4.2	6.8	16.4	5.7	16.1	5.1	11.3	.....	.....	5.5	.....	.....
1980	7.0	7.1	6.9	18.3	5.9	7.4	17.2	6.4	17.8	6.3	13.1	.....	.....	6.9	.....	.....
1981	7.5	7.6	7.4	20.1	8.3	9.4	19.0	8.3	19.6	6.7	14.2	.....	.....	7.3	.....	.....
1982	9.5	9.7	9.9	24.4	8.8	9.4	21.9	8.8	23.2	8.6	17.3	.....	.....	9.3	.....	.....
1983	7.4	7.5	7.4	19.6	6.6	7.6	18.0	6.8	18.9	6.5	14.4	.....	.....	9.1	.....	.....
1984	7.4	7.5	7.4	19.6	6.6	7.6	18.0	6.8	18.9	6.5	14.4	.....	.....	9.2	.....	.....
1985	7.1	7.2	7.0	19.5	6.2	7.1	17.6	6.6	18.6	6.2	13.7	.....	.....	8.4	.....	.....
1986	6.9	7.0	6.9	19.0	6.1	7.4	17.5	6.2	18.3	6.0	13.1	.....	.....	6.6	.....	.....
1987	6.1	6.2	6.2	17.8	5.4	6.2	15.9	5.4	16.9	5.3	11.6	.....	.....	5.8	.....	.....
1988	7.0	7.1	6.9	18.3	5.9	7.4	17.2	6.4	17.8	6.3	13.1	.....	.....	6.9	.....	.....
1989	7.5	7.6	7.4	20.1	8.3	9.4	19.0	8.3	19.6	6.7	14.2	.....	.....	7.3	.....	.....
1990	9.5	9.7	9.9	24.4	8.8	9.4	21.9	8.8	23.2	8.6	17.3	.....	.....	9.3	.....	.....
1991	7.4	7.5	7.4	19.6	6.6	7.6	18.0	6.8	18.9	6.5	14.4	.....	.....	9.1	.....	.....
1992	7.4	7.5	7.4	19.6	6.6	7.6	18.0	6.8	18.9	6.5	14.4	.....	.....	9.2	.....	.....
1993	7.1	7.2	7.0	19.5	6.2	7.1	17.6	6.2	18.3	6.0	13.1	.....	.....	8.4	.....	.....
1994	6.9	7.0	6.9	19.0	6.1	7.4	17.5	6.2	18.3	6.0	13.1	.....	.....	6.6	.....	.....
1995	6.1	6.2	6.2	17.8	5.4	6.2	15.9	5.4	16.9	5.3	11.6	.....	.....	5.8	.....	.....
1996	6.6	6.7	6.7	18.5	6.0	6.6	16.8	5.9	17.7	5.8	12.5	.....	.....	6.3	.....	.....
1997	6.6	6.6	6.6	18.5	6.0	6.6	16.8	5.9	17.7	5.8	12.5	.....	.....	4.2	.....	.....
1998	6.4	6.5	6.4	18.7	5.6	6.5	16.6	5.7	17.9	5.7	12.6	.....	.....	4.1	.....	.....
1999	6.2	6.3	6.4	19.6	5.7	6.3	15.9	5.5	17.3	5.5	11.8	.....	.....	4.1	.....	.....
2000	6.0	6.1	6.2	16.4	5.5	6.2	15.5	5.4	17.6	5.4	12.1	.....	.....	4.0	.....	.....
2001	6.0	6.1	6.2	16.4	5.5	6.0	15.5	5.4	16.0	5.3	11.5	.....	.....	4.0	.....	.....
2002	6.0	6.0	6.0	15.9	5.4	6.1	15.7	5.4	15.8	5.2	11.4	.....	.....	5.8	.....	.....
2003	5.9	6.0	6.1	17.8	5.0	6.0	14.4	5.4	16.2	5.2	11.3	.....	.....	5.7	.....	.....
2004	5.8	5.9	5.8	17.3	5.0	6.1	15.4	5.4	16.4	5.1	10.9	.....	.....	5.5	.....	.....
2005	5.9	6.0	5.9	17.4	5.1	6.0	16.0	5.2	17.2	5.2	10.8	.....	.....	5.5	.....	.....
2006	5.8	5.9	5.8	17.2	5.0	6.0	16.0	5.1	16.6	5.1	11.0	.....	.....	5.5	.....	.....
2007	5.7	5.8	5.7	17.2	4.9	5.9	14.8	5.2	16.1	4.9	10.9	.....	.....	5.4	.....	.....
2008	5.7	5.8	5.8	16.4	5.1	5.9	15.6	5.1	16.0	4.9	10.9	.....	.....	5.4	.....	.....
2009	5.6	5.7	5.6	15.6	4.9	5.9	15.1	5.1	15.4	5.0	10.9	.....	.....	5.5	.....	.....
2010	5.5	5.6	5.7	17.8	4.9	5.5	15.2	4.8	16.5	4.8	11.3	.....	.....	5.3	.....	.....
2011	5.4	5.4	5.3	15.8	4.6	5.6	16.0	4.8	15.9	4.7	11.5	.....	.....	5.2	.....	.....
2012	5.5	5.6	5.6	16.2	4.9	5.6	15.6	4.7	15.6	4.7	11.3	.....	.....	5.4	.....	.....
2013	5.2	5.3	5.2	14.7	4.6	5.4	12.4	4.9	13.6	4.5	10.3	.....	.....	5.0	.....	.....
2014	5.4	5.3	5.2	16.6	4.5	5.4	12.4	4.9	13.6	4.5	10.3	.....	.....	5.0	.....	.....
2015	5.6	5.6	5.6	15.9	4.5	5.6	14.7	5.1	15.2	4.7	10.0	.....	.....	5.1	.....	.....
2016	5.3	5.4	5.3	16.7	4.5	5.6	14.7	4.8	15.8	4.8	10.0	.....	.....	5.3	.....	.....
2017	5.3	5.4	5.3	16.9	4.6	5.5	14.7	4.8	15.7	4.8	9.4	.....	.....	5.1	.....	.....
2018	5.4	5.4	5.4	14.5	4.8	5.3	13.1	4.8	14.9	4.6	9.6	.....	.....	5.0	.....	.....
2019	5.4	5.4	5.4	14.5	4.8	5.3	13.1	4.8	14.9	4.6	9.6	.....	.....	5.1	.....	.....
2020	5.4	5.4	5.4	14.5	4.8	5.3	13.1	4.8	14.9	4.6	9.6	.....	.....	5.1	.....	.....

<sup>1</sup> Unemployed as percent of labor force including resident Armed Forces.  
<sup>2</sup> Unemployed as percent of civilian labor force in general.  
<sup>3</sup> Data for 1949 and 1951-54 are for April; 1950, for March.  
 Note.—Data relate to persons 16 years of age and over.  
 See footnote 6 and Note, Table B-32.  
 Source: Department of Labor, Bureau of Labor Statistics.

1989 - year end  
5.37%

# WHITE HOUSE STAFFING MEMORANDUM

1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
 HYATT REGENCY BALLROOM  
 CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_  
 FRIDAY, JANUARY 12, 1990

1:30 PM

	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"/>
<del>DARMAN</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY		<input checked="" type="checkbox"/>

REMARKS: \_\_\_\_\_ ANDERSON

Please provide comments/edits directly to Chriss Winston, Rm. 122, x2930 no later than 4:00 PM, WEDNESDAY, JANUARY 10, with a copy to my office. Thank you.

RESPONSE: *See comments*

01:44 01 DEC 10

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

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
HYATT REGENCY BALLROOM, CINCINNATI  
FRIDAY, JAN. 12, 1990, 1:30 P.M.

[[ACKNOWLEDGEMENTS]]

8:31

We're pleased to be back in Cincinnati. Actually, I was hoping to get out here for the Reds' Opening Day. But they tell me I'm three months too early. ~~Same problem I ran into on Pearl Harbor Day.~~ \\\

It is fitting that, in the days leading up to the State of the Union Address, we should meet again in Cincinnati. The last time I visited was in November 1988, in the final days of the Presidential campaign. And earlier, Cincinnati was one of my last stops before the convention in New Orleans.

On the trip before that we spent a morning at Proctor and Gamble's R & D facility. They taught me a trick every President wants to know: How to put toothpaste back into the tube. \\\

All in all I came here four times during the Presidential campaign. I talked of America's future, and of future generations. I talked of certain principles. Told you I was ready to make the tough calls -- to use the veto where principle was involved -- and to take the heat. And today I've come back to Cincinnati to tell you I'm ready to make good on that pledge.

Because up on Capitol Hill some important business has gone unfinished, promises have gone unfulfilled.

We sent responsible proposals to Congress on the Big Four -- the Four C's: Capital gains. America's Children. Clean Air.

And Combatting crime.

In some cases, that business has gone unattended for the better part of a year. And the Four C's have become MIA's -- Missing In Action in the jungles of Capitol Hill.

The clock is running. Time and patience are running out.

America wants it done right.

America wants it done responsibly.

And America wants it done now. \\\

And if it's not done right -- it will be sent back.

That doesn't mean a fight. \ But it does mean a veto. \\\

And I'm also prepared to use the Presidential Veto to hold the line against free spending.

We've seen a lot of exhilarating changes in recent months. A world no longer on the brink of war but on the brink of peace. But being on the brink isn't the same as being over the top.

Some think all the answers to this year's problems can be found in the latest Washington craze -- this hypothetical windfall they're calling the "peace dividend." That's like the next-of-kin who spend the inheritance before the will is read.\\

At best it's wishful thinking. At worst it's reckless and irresponsible.

We like what's happening in Central Europe. But just as it would have been impossible -- six months ago -- to predict those thunderous changes, it's impossible today to know what will unfold in the next six months -- let alone the next six years.

But in this world of change, one thing is certain: America

must be ready. America must be strong. And a strong America means not only a strong economy. It also means a strong defense.

And if proof of that were ever needed -- we saw it last month in the courage of our troops in Panama. \\\

The "peace dividend," if there is a dividend, is not like money in the bank. It is more like an inheritance. A bonus that may come. Something to be hopeful about. But a long ways from having cash in hand. And like an inheritance, it is a special gift, a legacy not only of prosperity but also security, earned by the hard work and sacrifice of those who came before.

Of course, whenever an inheritance looms there are those eager to rush out and squander it -- to buy new things, to spend, spend, spend -- spending money they don't yet have. Then the bills start coming. And what was promised as a bonus becomes a burden. In Washington, that burden comes in the form of an announcement. They'll say: "It's Time to Raise Your Taxes."

That's not going to happen. \\  
Because most Americans know that when found money does come along, the first thing to do is pay off your debts. Reduce the deficit. \\

Reducing the deficit isn't just a good idea. It's what the American people want. And it's the law.

The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low. Because the best anti-poverty program is a good job. And the best jobs program is a sound economy. \\\

A sound economy is a competitive economy. And to keep

America competitive, to fuel our continuing boom, we also need an infusion of new venture capital. That's why we need what a majority in both Houses of Congress has already voted for: A tax cut on capital gains. \\\

As the world turns to freer markets, this is no time to become wishy-washy about where America stands. The jury is no longer out. Markets work. Government controls don't. \\\

And since the debate has all but ended on this issue, perhaps our most die-hard ideologues can now turn their attention to the real question that divides America: \ Is it Texas or Cincinnati that produces the world's best chili? \ Of course ... this also is a question to be decided by the market. \

The economic challenge of the 90's is to make markets work better. And one of the best ways a government can do that is to do what people around the world are asking their governments to do: Get out of the way! \\\

It works. Here at home, we're in the midst of the longest peacetime economic expansion in our nation's history, an <sup>85</sup>~~86~~-month expansion that has created an astonishing ~~20~~<sup>21</sup> million new jobs since 1982.

That's due to the genius of places like Cincinnati -- the Ohio River valley -- and the solid American values that have flourished here and inspired the world from Central Europe to Central America.

The whole world is watching. And the whole world is ready.

The headlines tell of other nations buying American. That's

*A.P. Samarin  
5873*

good news -- not bad. We've been urging our own people to "Buy American" for years -- to invest in the greatest job-creating machine of the 20th Century.

And it's no surprise the world's investors are following suit. The results are in: America is the choice.

We don't have to look elsewhere to know what works. If you want to follow the smart money advice of the 1990's, go to where the Japanese or the Europeans are going. Look at the U.S.A. Look at what the rest of the world calls "the American miracle."

You saw it happen here in Cincinnati U.S.A., "The Blue Chip City," where 150,000 more people are at work than were working six years ago. Cincinnati produced its miracle the old-fashioned way -- the American way. It's an old tradition here. When he first opened his slaughterhouse in 1810, Richard Fosdick was warned that meat couldn't be cured in Cincinnati's climate. But he didn't know that it couldn't be done. He continued his experiments until he discovered the rock-salt process for curing meat -- and made this city the principal hog market of the world.

Renewing our emphasis on innovation is one of the ways modern Cincinnati has prospered. You've also built a diverse economic base. Stripped away corporate fat. Renewed our emphasis on quality -- Fortune says Cincinnati makes some of the best jet engines in the world. \

Ultimately, these are the kind of efforts that will determine how America fares in the competitive, free-trade world of the 1990's. The way of the future is free people. The way of

the future is free trade. And free people and free trade is what America is all about. \\\

Of course, it's not enough that trade be "free."

It's also got to be fair. \\\

And it's not enough to tear down the Berlin Wall.

We've also got to tear down the tariffs and other barriers to American trade. \\\

A global game is afoot, a game in which a Cincinnati businessman can now fly non-stop to London and Frankfurt -- any day of the week.

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There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in the emerging global economy, environmental destruction knows no borders -- and that a healthy economy requires a healthy environment.

And a kinder, gentler environment also means a society where every man, woman and child can live and prosper in an environment free from fear. That means freedom from crime, and especially the increasingly violent crime that's been spawned by drug abuse and trafficking. On our anti-crime package as well, it's time for Congress to act. \

There is much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we have accomplished together. Let me suggest two areas.

At home, more than anything else, a kinder, gentler nation is one in which everyone who wants a job, has a job. <sup>during this expansion</sup> ~~And today~~ America <sup>had</sup> ~~has~~ the lowest unemployment rate since <sup>1974</sup> 1973 -- and Ohio has reached its highest employment level in history. \\\

Al-Samarie  
5873

Abroad, for more than 40 years, three generations of Americans have stood steadfast in a world often filled with challenge, rebuke and even insult. Firm in our belief in America's might and in America's destiny as leader of the free world, our spirit did not falter, our troops did not flinch.

And today, after the watershed events of 1989, the free world we're leading is growing bigger all the time.

In the past month we saw democracy restored to the brave people of Panama. We saw the powerful brought before the bar of justice. And we saw a proud people weep with gratitude over the sacrifice of American soldiers.

And somehow, it seems more than a coincidence. Because in that same month, we hear that the Bald Eagle -- the American Eagle -- may soon come off the endangered species list.

Ladies and gentlemen -- America is back. \\ And this time, America is back to stay.

Thank you. God bless you. And God bless Cincinnati!

# # #

Roger Porter comments

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN -9 11:31 AM

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
HYATT REGENCY BALLROOM, CINCINNATI  
FRIDAY, JAN. 12, 1990, 1:30 P.M.

[[ACKNOWLEDGEMENTS]]

We're pleased to be back in Cincinnati. Actually, I was hoping to get out here for the Reds' Opening Day. But they tell me I'm three months too early. **Same problem I ran into on Pearl Harbor Day.** \\\

It is fitting that, in the days leading up to the State of the Union Address, we should meet again in Cincinnati. The last time I visited was in November 1988, in the final days of the Presidential campaign. And earlier, Cincinnati was one of my last stops before the convention in New Orleans.

On the trip before that we spent a morning at Proctor and Gamble's R & D facility. They taught me a trick every President wants to know: **How to put toothpaste back into the tube.** \\\

All in all I came here four times during the Presidential campaign. I talked of America's future, and of future generations. I talked of certain principles. Told you I was ready to make the tough calls -- to use the veto where principle was involved -- and to take the heat. **And today I've come back to Cincinnati to tell you I'm ready to make good on that pledge.**

Because up on Capitol Hill some important business has gone unfinished, promises have gone unfulfilled.

We sent responsible proposals to Congress on the Big Four -- the Four C's: Capital gains. America's Children. Clean Air.

And Combatting crime.

In some cases, that business has gone unattended for the better part of a year. **And the Four C's have become MIA's -- Missing In Action in the jungles of Capitol Hill.**

The clock is running. Time and patience are running out.

**America wants it done right.**

**America wants it done responsibly.**

**And America wants it done now. \\\**

And if it's not done right -- it will be sent back.

**That doesn't mean a fight. \ \ But it does mean a veto. \ \ \**

And I'm also prepared to use the Presidential Veto to hold the line against free spending.

We've seen a lot of exhilarating changes in recent months. A world no longer on the brink of war but on the brink of peace. **But being on the brink isn't the same as being over the top.**

Some think all the answers to this year's problems <sup>BY SPENDING</sup> can be ~~found in the latest~~ <sup>WHAT THEY ARE CALLING IN</sup> Washington craze -- ~~this hypothetical windfall they're calling~~ the "peace dividend." That's like the next-of-kin who spend the inheritance before the will is read. \ \

~~At best it's wishful thinking. At worst it's reckless and irresponsible.~~

We like what's happening in Central Europe. But just as it would have been impossible -- six months ago -- to predict those thunderous changes, it's impossible today to know what will unfold in the next six months -- let alone the next six years.

But in this world of change, one thing is certain: America

must be ready. America must be strong. And a strong America means not only a strong economy. It also means a strong defense.

And if proof of that were ever needed -- we saw it last month in the courage of our troops in Panama. \\\

The "peace dividend," <sup>TO THE EXTENT THERE IS A FUTURE DIVIDEND,</sup> ~~if there is a dividend,~~ is not like money in the bank. It is more like an <sup>POSSIBLE FUTURE</sup> inheritance. A <sup>LEGACY</sup> bonus that ~~may come.~~ <sup>WILL ENABLE US TO PASS ON A BETTER WORLD TO OUR CHILDREN.</sup> ~~Something to be hopeful about.~~ But a long ways from ~~having cash in hand.~~ And like an inheritance, it is a special gift, a legacy not only of prosperity but also security, earned by the hard work and sacrifice of those who came before.

Of course, whenever an inheritance looms there are those eager to rush out and squander it -- to buy new things, to spend, spend, spend -- spending money they don't yet have. Then the bills start coming. And what was promised as a bonus becomes a burden. In Washington, that burden comes in the form of an announcement. They'll say: "It's Time to Raise Your Taxes."

That's not going to happen. \\  
Because most Americans know that when found money does come along, the first thing to do is pay off your debts. Reduce the deficit. \\

Reducing the deficit isn't just a good idea. It's what the American people want. And it's the law.

The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low. Because the best anti-poverty program is a good job. And the best jobs program is a sound economy. \\\

A sound economy is a competitive economy. And to keep

America competitive, to fuel our continuing boom, we also need an infusion of new venture capital. That's why we need what a majority in both Houses of Congress has already voted for: A tax cut on capital gains. \\\

As the world turns to freer markets, this is no time to become wishy-washy about where America stands. The jury is no longer out. Markets work. Government controls don't. \\\

And since the debate has all but ended on this issue, perhaps our most die-hard ideologues can now turn their attention to the real question that divides America: \ Is it Texas or Cincinnati that produces the world's best chili? \ Of course ... this also is a question to be decided by the market. \

The economic challenge of the 90's is to make markets work better. And one of the best ways a government can do that is to do what people around the world are asking their governments to do: Get out of the way! \\\

It works. Here at home, we're in the midst of the longest peacetime economic expansion in our nation's history, an 86-month expansion that has created an astonishing 20 million new jobs since 1982.

That's due to the genius of places like Cincinnati -- the Ohio River valley -- and the solid American values that have flourished here and inspired the world from Central Europe to Central America.

The whole world is watching. And the whole world is ready.

The headlines tell of other nations buying American. That's

good news -- not bad. We've been urging our own people to "Buy American" for years -- to invest in the greatest job-creating machine of the 20th century.

And it's no surprise the world's investors are following suit. The results are in: America is the choice.

We don't have to look elsewhere to know what works. If you want to follow the smart money advice of the 1990's, go to where the Japanese or the Europeans are going. Look at the U.S.A. Look at what the rest of the world calls "the American miracle."

You saw it happen here in Cincinnati U.S.A., "The Blue Chip City," where 150,000 more people are at work than were working six years ago. Cincinnati produced its miracle the old-fashioned way -- the American way. It's an old tradition here. When he first opened his slaughterhouse in 1810, Richard Fosdick was warned that meat couldn't be cured in Cincinnati's climate. But he didn't know that it couldn't be done. He continued his experiments until he discovered the rock-salt process for curing meat -- and made this city the principal hog market of the world.

Renewing our emphasis on innovation is one of the ways modern Cincinnati has prospered. You've also built a diverse economic base. Stripped away corporate fat. Renewed our emphasis on quality -- Fortune says Cincinnati makes some of the best jet engines in the world. \

Ultimately, these are the kind of efforts that will determine how America fares in the competitive, free-trade world of the 1990's. The way of the future is free people. The way of

the future is free trade. And free people and free trade is what America is all about. \\\

Of course, it's not enough that trade be "free."

It's also got to be fair. \\\

And it's not enough to tear down the Berlin Wall.

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Ladies and gentlemen -- America is back. \\ And this time, America is back to stay.

Thank you. God bless you. And God bless Cincinnati!

# # #

# WHITE HOUSE STAFFING MEMORANDUM



1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
HYATT REGENCY BALLROOM  
CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_  
FRIDAY, JANUARY 12, 1990

1:30 PM

	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"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY		<input checked="" type="checkbox"/>

REMARKS: \_\_\_\_\_ ANDERSON

Please provide comments/edits directly to Chriss Winston, Rm. 122, x2930 no later than 4:00 PM, WEDNESDAY, JANUARY 10, with a copy to my office. Thank you.

RESPONSE:

89 DEC 10 P12: 53

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

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN  
15 8:31

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HYATT REGENCY BALLROOM, CINCINNATI  
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America wants it done responsibly.

And America wants it done now. \\\\

And if it's not done right -- it will be sent back.

That doesn't mean a fight. \\\\ But it does mean a veto. \\\\

And I'm also prepared to use the Presidential Veto to hold the line against free spending.

We've seen a lot of exhilarating changes in recent months. A world no longer on the brink of war but on the brink of peace. But being on the brink isn't the same as being over the top.

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must be ready. America must be strong. And a strong America means not only a strong economy. It also means a strong defense.

And if proof of that were ever needed -- we saw it last month in the courage of our troops in Panama. \\\

The "peace dividend," if there is a dividend, is not like money in the bank. It is more like <sup>a possible future</sup> ~~an~~ inheritance. A bonus that may come. Something to be hopeful about. But <sup>we are</sup> a long ways from having cash in hand. And like an inheritance, it is a special gift, a legacy not only of prosperity but also security, earned by the hard work and sacrifice of those who came before.

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Thank you. God bless you. And God bless Cincinnati!

# # #

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1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
HYATT REGENCY BALLROOM  
CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_  
FRIDAY, JANUARY 12, 1990

1:30 PM

	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"/>	ROGICH	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY		<input checked="" type="checkbox"/>

REMARKS: ANDERSON

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RESPONSE:

*OK S.R.*

89 DEC 10 11:24

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

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN  
8 31

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HYATT REGENCY BALLROOM, CINCINNATI  
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America wants it done responsibly.

And America wants it done now. \\\

And if it's not done right -- it will be sent back.

That doesn't mean a fight. \ But it does mean a veto. \\\

And I'm also prepared to use the Presidential Veto to hold the line against free spending.

We've seen a lot of exhilarating changes in recent months. A world no longer on the brink of war but on the brink of peace. But being on the brink isn't the same as being over the top.

Some think all the answers to this year's problems can be found in the latest Washington craze -- this hypothetical windfall they're calling the "peace dividend." That's like the next-of-kin who spend the inheritance before the will is read.\\

At best it's wishful thinking. At worst it's reckless and irresponsible.

We like what's happening in Central Europe. But just as it would have been impossible -- six months ago -- to predict those thunderous changes, it's impossible today to know what will unfold in the next six months -- let alone the next six years.

But in this world of change, one thing is certain: America

must be ready. America must be strong. And a strong America means not only a strong economy. It also means a strong defense.

And if proof of that were ever needed -- we saw it last month in the courage of our troops in Panama. \\\

The "peace dividend," if there is a dividend, is not like money in the bank. It is more like an inheritance. A bonus that may come. Something to be hopeful about. But a long ways from having cash in hand. And like an inheritance, it is a special gift, a legacy not only of prosperity but also security, earned by the hard work and sacrifice of those who came before.

Of course, whenever an inheritance looms there are those eager to rush out and squander it -- to buy new things, to spend, spend, spend -- spending money they don't yet have. Then the bills start coming. And what was promised as a bonus becomes a burden. In Washington, that burden comes in the form of an announcement. They'll say: "It's Time to Raise Your Taxes."

That's not going to happen. \\  
Because most Americans know that when found money does come along, the first thing to do is pay off your debts. Reduce the deficit. \\

Reducing the deficit isn't just a good idea. It's what the American people want. And it's the law.

The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low. Because the best anti-poverty program is a good job. And the best jobs program is a sound economy. \\

A sound economy is a competitive economy. And to keep

America competitive, to fuel our continuing boom, we also need an infusion of new venture capital. That's why we need what a majority in both Houses of Congress has already voted for: A tax cut on capital gains. \\\

As the world turns to freer markets, this is no time to become wishy-washy about where America stands. The jury is no longer out. Markets work. Government controls don't. \\\

And since the debate has all but ended on this issue, perhaps our most die-hard ideologues can now turn their attention to the real question that divides America: \ Is it Texas or Cincinnati that produces the world's best chili? \ Of course ... this also is a question to be decided by the market. \

The economic challenge of the 90's is to make markets work better. And one of the best ways a government can do that is to do what people around the world are asking their governments to do: Get out of the way! \\\

It works. Here at home, we're in the midst of the longest peacetime economic expansion in our nation's history, an 86-month expansion that has created an astonishing 20 million new jobs since 1982.

That's due to the genius of places like Cincinnati -- the Ohio River valley -- and the solid American values that have flourished here and inspired the world from Central Europe to Central America.

The whole world is watching. And the whole world is ready.

The headlines tell of other nations buying American. That's

good news -- not bad. We've been urging our own people to "Buy American" for years -- to invest in the greatest job-creating machine of the 20th century.

And it's no surprise the world's investors are following suit. The results are in: America is the choice.

We don't have to look elsewhere to know what works. If you want to follow the smart money advice of the 1990's, go to where the Japanese or the Europeans are going. Look at the U.S.A. Look at what the rest of the world calls "the American miracle."

You saw it happen here in Cincinnati U.S.A., "The Blue Chip City," where 150,000 more people are at work than were working six years ago. Cincinnati produced its miracle the old-fashioned way -- the American way. It's an old tradition here. When he first opened his slaughterhouse in 1810, Richard Fosdick was warned that meat couldn't be cured in Cincinnati's climate. But he didn't know that it couldn't be done. He continued his experiments until he discovered the rock-salt process for curing meat -- and made this city the principal hog market of the world.

Renewing our emphasis on innovation is one of the ways modern Cincinnati has prospered. You've also built a diverse economic base. Stripped away corporate fat. Renewed our emphasis on quality -- Fortune says Cincinnati makes some of the best jet engines in the world. \\

Ultimately, these are the kind of efforts that will determine how America fares in the competitive, free-trade world of the 1990's. The way of the future is free people. The way of

the future is free trade. And free people and free trade is what America is all about. \\\

Of course, it's not enough that trade be "free."

It's also got to be fair. \\\

And it's not enough to tear down the Berlin Wall.

We've also got to tear down the tariffs and other barriers to American trade. \\\

A global game is afoot, a game in which a Cincinnati businessman can now fly non-stop to London and Frankfurt -- any day of the week.

If the rules are fair and the same for everybody -- we can play this game. It's called "competition." We invented it. We won it before. And we're going to win it again. \\\

Winning in the competitive 90's will take more than investing in products. We must also invest in people. That means offering every American child an education second to none.

Our "Educational Excellence Act" remains one of the priorities of my Administration -- sent to Congress almost nine months ago. It calls for choice, flexibility, and accountability. And it's time Congress accounts for its inaction on this pressing issue.

You in Cincinnati have acted, working to educate and train our people for the 21st century. Three years ago business, educational, and community leaders here came together to take on a mighty task: reduce the numbers of students at risk -- the staggering 40 percent dropout rate in public schools.

The result was the Cincinnati Youth Collaborative -- an intensive people-to-people "mentoring" program that many of you support, and that has already seen some early success.

It has America talking. Your Governor visited one of the participating classrooms at McKinley before coming out to the Education Summit I hosted in Virginia last fall. And earlier today I had an opportunity to see the programs at Taft High School firsthand.

There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in the emerging global economy, environmental destruction knows no borders -- and that a healthy economy requires a healthy environment.

And a kinder, gentler environment also means a society where every man, woman and child can live and prosper in an environment free from fear. That means freedom from crime, and especially the increasingly violent crime that's been spawned by drug abuse and trafficking. On our anti-crime package as well, it's time for Congress to act. \\  
\\

There is much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we have accomplished together. Let me suggest two areas.

At home, more than anything else, a kinder, gentler nation is one in which everyone who wants a job, has a job. And today America has the lowest unemployment rate since 1973 -- and Ohio has reached its highest employment level in history. \\  
\\

Abroad, for more than 40 years, three generations of Americans have stood steadfast in a world often filled with challenge, rebuke and even insult. Firm in our belief in America's might and in America's destiny as leader of the free world, our spirit did not falter, our troops did not flinch.

And today, after the watershed events of 1989, the free world we're leading is growing bigger all the time.

In the past month we saw democracy restored to the brave people of Panama. We saw the powerful brought before the bar of justice. And we saw a proud people weep with gratitude over the sacrifice of American soldiers.

And somehow, it seems more than a coincidence. Because in that same month, we hear that the Bald Eagle -- the American Eagle -- may soon come off the endangered species list.

Ladies and gentlemen -- America is back. \\ And this time, America is back to stay.

Thank you. God bless you. And God bless Cincinnati!

# # #

# WHITE HOUSE STAFFING MEMORANDUM

1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE

HYATT REGENCY BALLROOM

CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_

FRIDAY, JANUARY 12, 1990

1:30 PM

	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"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY		<input checked="" type="checkbox"/>
			ANDERSON		<input checked="" type="checkbox"/>

REMARKS:

Please provide comments/edits directly to Chriss Winston, Rm. 122, x2930 no later than 4:00 PM, WEDNESDAY, JANUARY 10, with a copy to my office. Thank you.

RESPONSE:

*Phrase "drug abuse" (as marked, page 7) should be changed to read "drug use." otherwise fine.*

*-David Tell  
for Bill Bennett*

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

89 DEC 10 PM 4:15

The result was the Cincinnati Youth Collaborative -- an intensive people-to-people "mentoring" program that many of you support, and that has already seen some early success.

It has America talking. Your Governor visited one of the participating classrooms at McKinley before coming out to the Education Summit I hosted in Virginia last fall. And earlier today I had an opportunity to see the programs at Taft High School firsthand.

There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in the emerging global economy, environmental destruction knows no borders -- and that a healthy economy requires a healthy environment.

And a kinder, gentler environment also means a society where every man, woman and child can live and prosper in an environment free from fear. That means freedom from crime, and especially the increasingly violent crime that's been spawned by drug abuse and trafficking. On our anti-crime package as well, it's time for Congress to act. \\

There is much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we have accomplished together. Let me suggest two areas.

At home, more than anything else, a kinder, gentler nation is one in which everyone who wants a job, has a job. And today America has the lowest unemployment rate since 1973 -- and Ohio has reached its highest employment level in history. ///

# WHITE HOUSE STAFFING MEMORANDUM

1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
 HYATT REGENCY BALLROOM  
 CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_  
 FRIDAY, JANUARY 12, 1990

1:30 PM

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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"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY		<input checked="" type="checkbox"/>

REMARKS: \_\_\_\_\_ ANDERSON

Please provide comments/edits directly to Chriss Winston, Rm. 122, x2930 no later than 4:00 PM, WEDNESDAY, JANUARY 10, with a copy to my office. Thank you.

RESPONSE:

*Please see comments.*

*1/10/90*

89 DEC 10 P4:38

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

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN  
NWT 0661

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
HYATT REGENCY BALLROOM, CINCINNATI  
FRIDAY, JAN. 12, 1990, 1:30 P.M.

[[ACKNOWLEDGEMENTS]]

8:31  
131

We're pleased to be back in Cincinnati. Actually, I was hoping to get out here for the Reds' Opening Day. But they tell me I'm three months too early. **Same problem I ran into on Pearl Harbor Day.** \\\

It is fitting that, in the days leading up to the State of the Union Address, we should meet again in Cincinnati. The last time I visited was in November 1988, in the final days of the Presidential campaign. And earlier, Cincinnati was one of my last stops before the convention in New Orleans.

✓ On <sup>a</sup> ~~the~~ trip <sup>to Cincinnati in ~~1988~~</sup> before that we spent a morning at Proctor and Gamble's R & D facility. They taught me a trick every President wants to know: **How to put toothpaste back into the tube.** \\\

All in all I came here four times during the Presidential campaign. I talked of America's future, and of future generations. I talked of certain principles. Told you I was ready to make the tough calls -- to use the veto where principle was involved -- and to take the heat. **And today I've come back to Cincinnati to tell you I'm ready to make good on that pledge.**

✓ Because up on Capitol Hill some important business <sup>remains</sup> has gone unfinished, promises have gone unfulfilled. ✓

✓ We sent responsible proposals to Congress on ~~the Big Four~~ -- the Four C's: Capital gains. America's Children. Clean Air.

And Combatting crime.

*my proposals ~~to be~~ in these areas were sent to the Congress*  
 In some cases, that business has gone unattended for the better part of a year. And the Four C's have become MIA's -- Missing In Action in the jungles of Capitol Hill.

The clock is running. ~~Time and patience are running out.~~

America wants it done right.

America wants it done responsibly.

And America wants it done now. \\\

And if it's not done right -- *I will be compelled to send it back.*  
~~it will be sent back.~~

That doesn't mean a fight. \ \ But it does mean a veto. \ \ \

And I'm also prepared to use the Presidential ~~Veto~~ to hold the line against <sup>*unfettered*</sup> free spending.

We've seen a lot of exhilarating changes in recent months. A world no longer on the brink of war but on the brink of peace. But being on the brink isn't the same as being over the top.

Some think all the answers to this year's problems can be found in the latest Washington craze -- this hypothetical windfall they're calling the "peace dividend." That's like the next-of-kin who <sup>+</sup> spend the inheritance before the will is read. \ \

At best it's wishful thinking. At worst it's reckless and irresponsible.

We <sup>*are ~~now~~ extremely pleased with*</sup> ~~like~~ what's happening in Central Europe. But just as it would have been impossible -- six months ago -- to predict those thunderous changes, it's impossible today to know what will unfold in the next six months -- let alone the next six years.

But in this world of change, one thing is certain: America

*four areas have been under consideration in the Congress for the*

must be ready. America must be strong. *And a strong America*  
~~means not only a strong economy. It also~~ means a strong defense.

And if proof of that were ever needed -- we saw it last month in the courage of our troops in Panama. \\\

The "peace dividend," if there is a dividend, is not like money in the bank. It is more like an inheritance. A bonus that may come. Something to be hopeful about. But a long ways from having cash in hand. And like an inheritance, it is a special gift, a legacy not only of prosperity but also security, earned by the hard work and sacrifice of those who came before.

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That's not going to happen. \\  
 Because most Americans know that when found money does come along, the first thing to do is pay off your debts. Reduce the deficit. \\  
 \\\

Reducing the deficit isn't just a good idea. It's what the American people want. And it's the law.

The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low. Because the best anti-poverty program is a good job. And the best jobs program is a sound economy. \\\

A sound economy is a competitive economy. And to keep

America competitive, to fuel our continuing boom, we also need an infusion of new venture capital. That's why we need what a majority in both Houses of Congress has already voted for: A tax cut on capital gains. \\\

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That's due to the genius of places like Cincinnati -- ~~the Ohio River valley~~ and the solid American values that have flourished here and inspired the world from Central Europe to Central America.

The whole world is watching. And the whole world is ready.

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the future is free trade. And free people and free trade is what America is all about. \\\

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It's also got to be fair. \\\

And it's not enough to tear down the Berlin Wall.

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It has America talking. Your Governor visited one of the participating classrooms at McKinley before coming out to the Education Summit I hosted in Virginia last fall. And earlier today I had an opportunity to see the programs at Taft High School firsthand. <sup>be briefed on the Youth Collaborative and</sup> <sub>promising</sub>

There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in the emerging global economy, environmental destruction knows no borders -- and that a healthy economy requires a healthy environment.

And a kinder, gentler environment also means a society where every man, woman and child can live and prosper in an environment free from fear. That means freedom from crime, and especially the increasingly violent crime that's been spawned by drug abuse and trafficking. On our anti-crime package as well, it's time for Congress to act. \ \

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At home, more than anything else, a kinder, gentler nation is one in which <sup>those who seek employment can find a</sup> ~~everyone who wants a job~~, has a job. And today America has the lowest unemployment rate since 1973 -- and Ohio has reached its highest employment level in history. \ \ \

McKinley  
High School?  
Grade School?  
Elementary?

?

Abroad, for more than 40 years, three generations of Americans have stood steadfast in a world often filled with challenge, rebuke and even insult. Firm in our belief in America's might and in America's destiny as leader of the free world, our spirit did not falter, our troops did not flinch.

*gripped by the cold war,*

And today, after the watershed events of 1989, the free world we're leading is growing bigger all the time.

In the past month we saw democracy restored to the brave people of Panama. We saw the powerful brought before the bar of justice. And we saw a proud people weep with gratitude over the sacrifice of American soldiers.

And somehow, it seems more than a coincidence. Because in that same month, we hear that the Bald Eagle -- the American Eagle -- may soon come off the endangered species list.

Ladies and gentlemen -- America is back. \ \ ~~And this time,~~  
~~America is back to stay.~~

Thank you. God bless you. And God bless Cincinnati!

# # #

Just as the Bald Eagle is Back,

Our future is ~~bright~~ holds  
~~promising~~ great promise.

THE WHITE HOUSE  
WASHINGTON

January 10, 1990

MEMORANDUM FOR CHRISS WINSTON  
DEPUTY ASSISTANT TO THE PRESIDENT  
FOR COMMUNICATIONS

FROM: FREDERICK D. NELSON *F.D.N.*  
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: Cincinnati Chamber  
of Commerce, Hyatt Regency Ballroom,  
Cincinnati, Ohio - Friday, January 12, 1990

Counsel's Office makes no legal objections to the draft speech for the Cincinnati Chamber of Commerce. We do observe that the language at the bottom of page 1 and top of page 2 regarding "the Big Four -- the Four C's" might be seen as stamping a public priority on those four very good issues to the exclusion of other Administration initiatives now pending before Congress (including other "C's" such as campaign finance reform, etc.). We wonder whether using the four C's as (non-exclusive) examples of unfinished business might help preserve some flexibility later to renew and reemphasize other proposals; we assume, however, that a policy decision has been made that the identified issues truly are the "big four."

cc: James W. Cicconi

89 DEC 10 4:18

# WHITE HOUSE STAFFING MEMORANDUM

1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
 HYATT REGENCY BALLROOM  
 CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_  
 FRIDAY, JANUARY 12, 1990

1:30 PM

	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"/>
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			ANDERSON	<input type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:

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RESPONSE:

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

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN  
13 31

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HYATT REGENCY BALLROOM, CINCINNATI  
FRIDAY, JAN. 12, 1990, 1:30 P.M.

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The "peace dividend," if there is a dividend, is not like money in the bank. It is more like an inheritance. A bonus that may come. Something to be hopeful about. But a long ways from having cash in hand. And like an inheritance, it is a special gift, a legacy not only of prosperity but also security, earned by the hard work and sacrifice of those who came before.

Of course, whenever an inheritance looms there are those eager to rush out and squander it -- to buy new things, to spend, spend, spend -- spending money they don't yet have. Then the bills start coming. And what was promised as a bonus becomes a burden. In Washington, that burden comes in the form of an announcement. They'll say: "It's Time to Raise Your Taxes."

That's not going to happen. \\  
Because most Americans know that when found money does come along, the first thing to do is pay off your debts. Reduce the deficit. \\

Reducing the deficit isn't just a good idea. It's what the American people want. And it's the law.

The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low. Because the best anti-poverty program is a good job. And the best jobs program is a sound economy. \\

A sound economy is a competitive economy. And to keep

America competitive, to fuel our continuing boom, we also need an infusion of new venture capital. That's why we need what a majority in both Houses of Congress has already voted for: A tax cut on capital gains. \\\

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And since the debate has all but ended on this issue, perhaps our most die-hard ideologues can now turn their attention to the real question that divides America: \ Is it Texas or Cincinnati that produces the world's best chili? \ Of course ... this also is a question to be decided by the market. \

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It works. Here at home, we're in the midst of the longest peacetime economic expansion in our nation's history, an 86-month expansion that has created an astonishing 20 million new jobs since 1982.

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good news -- not bad. We've been urging our own people to "Buy American" for years -- to invest in the greatest job-creating machine of the 20th century.

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You saw it happen here in Cincinnati U.S.A., "The Blue Chip City," where 150,000 more people are at work than were working six years ago. Cincinnati produced its miracle the old-fashioned way -- the American way. It's an old tradition here. When he first opened his slaughterhouse in 1810, Richard Fosdick was warned that meat couldn't be cured in Cincinnati's climate. But he didn't know that it couldn't be done. He continued his experiments until he discovered the rock-salt process for curing meat -- and made this city the principal hog market of the world.

Renewing our emphasis on innovation is one of the ways modern Cincinnati has prospered. You've also built a diverse economic base. Stripped away corporate fat. Renewed our emphasis on quality -- Fortune says Cincinnati makes some of the best jet engines in the world. \\

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the future is free trade. And free people and free trade is what America is all about. \\\

Of course, it's not enough that trade be "free."

It's also got to be fair. \\\

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Winning in the competitive 90's will take more than investing in products. We must also invest in people. That means offering every American child an education second to none.

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There is much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we have accomplished together. Let me suggest two areas.

At home, more than anything else, a kinder, gentler nation is one in which everyone who wants a job, has a job. And today America has the lowest unemployment rate since 1973 -- and Ohio has reached its highest employment level in history. \\\

Abroad, for more than 40 years, three generations of Americans have stood steadfast in a world often filled with challenge, rebuke and even insult. Firm in our belief in America's might and in America's destiny as leader of the free world, our spirit did not falter, our troops did not flinch.

And today, after the watershed events of 1989, the free world we're leading is growing bigger all the time.

In the past month we saw democracy restored to the brave people of Panama. We saw the powerful brought before the bar of justice. And we saw a proud people weep with gratitude over the sacrifice of American soldiers.

And somehow, it seems more than a coincidence. Because in that same month, we hear that the Bald Eagle -- the American Eagle -- may soon come off the endangered species list.

Ladies and gentlemen -- America is back. \\ And this time, America is back to stay.

Thank you. God bless you. And God bless Cincinnati!

# # #

THE WHITE HOUSE

WASHINGTON

January 10, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM:

JIM PINKERTON

SUBJECT:

Cincinnati Chamber of Commerce Draft Speech

A great, hard-hitting draft that keeps up the momentum from the Farm Bureau speech. As that earlier speech showed, the use of tough language critical of Congress for not acting on the President's proposals can be very effective. The language about Congress will be newsworthy. Unfortunately, the language about the Peace Dividend will be even more newsworthy and will crowd out the criticism of Congress. It doesn't seem to us that the President -- prior to releasing the budget -- will want to address the issue of the Peace Dividend now. We would delete all references to the Peace Dividend (at pg. 2, paras. 11 & 12; and at pg. 3, paras. 3 & 4).

pg. 4, para. 1, line 2 We wonder if "venture capital" is more apt than the more general word "investment."

4,2,3 "Markets work. Government controls don't."

The temptation will be to qualify this line because, of course, some government controls do work, and some "markets" don't work. But the intended meaning is clear, and it would be too bad if the concision of the line were lost. A suggestion: if the peace dividend language stays in (although we suggest above its removal), we could play on the earlier peace dividend language by saying, for example, that a capital gains tax cut will yield a "Jobs and Opportunity Dividend;" Or that the Eastern Europeans are enjoying a "Freedom Dividend" from decades of American and allied resolve, vigilance, sacrifice, and preparedness.

8,4,2 The bald eagle reference is terrific.

###

89 DEC 10 4 44

McNALLY  
COMMENTS

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
HYATT REGENCY BALLROOM, CINCINNATI  
FRIDAY, JAN. 12, 1990, ~~1:30 P.M.~~

[[ACKNOWLEDGEMENTS]]

2:20 pm

We're pleased to be back in Cincinnati. Actually, I was hoping to get out here for the Reds' Opening Day. But they tell me I'm three months too early. **Same problem I ran into on Pearl Harbor Day.** \\\

It is fitting that, in the days leading up to the State of the Union Address, we should meet again in Cincinnati. The last time I visited was in November 1988, in the final days of the Presidential campaign. And earlier, Cincinnati was one of my last stops before the convention in New Orleans.

On the trip before that we spent a morning at Proctor and Gamble's R & D facility. They taught me a trick every President <sup>should</sup> ~~wants to~~ know: **How to put toothpaste back into the tube.** \\\

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And I'm also prepared to use the Presidential Veto to hold the line against free spending.

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David  
Tell

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Thank you. God bless you. And God bless Cincinnati!

# # #

# WHITE HOUSE STAFFING MEMORANDUM

1/9/90

4:00 PM, WED., JAN 10

DATE: \_\_\_\_\_ ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

PRESIDENTIAL REMARKS: CINCINNATI CHAMBER OF COMMERCE  
 HYATT REGENCY BALLROOM  
 CINCINNATI, OHIO

SUBJECT: \_\_\_\_\_  
 FRIDAY, JANUARY 12, 1990

1:30 PM

	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"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			WRAY	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS: \_\_\_\_\_ ANDERSON

Please provide comments/edits directly to Chriss Winston, Rm. 122, x2930 no later than 4:00 PM, WEDNESDAY, JANUARY 10, with a copy to my office. Thank you.

**RESPONSE:**

*1/10/90 Page 2 - CIA "comparison" might be dangerous for obvious reasons.*

*All else OK as drafted.*

89 DEC 10 11:24

*[Signature]*

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

McNally/Simon  
January 9, 1990  
Draft Four (B:OHIO)

1990 JAN  
NWJ 0661  
8:31

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HYATT REGENCY BALLROOM, CINCINNATI  
FRIDAY, JAN. 12, 1990, 1:30 P.M.

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We've also got to tear down the tariffs and other barriers to American trade. \\\

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If the rules are fair and the same for everybody -- we can play this game. It's called "competition." We invented it. We won it before. And we're going to win it again. \\\

Winning in the competitive 90's will take more than investing in products. We must also invest in people. That means offering every American child an education second to none.

Our "Educational Excellence Act" remains one of the priorities of my Administration -- sent to Congress almost nine months ago. It calls for choice, flexibility, and accountability. And it's time Congress accounts for its inaction on this pressing issue.

You in Cincinnati have acted, working to educate and train our people for the 21st century. Three years ago business, educational, and community leaders here came together to take on a mighty task: reduce the numbers of students at risk -- the staggering 40 percent dropout rate in public schools.

The result was the Cincinnati Youth Collaborative -- an intensive people-to-people "mentoring" program that many of you support, and that has already seen some early success.

It has America talking. Your Governor visited one of the participating classrooms at McKinley before coming out to the Education Summit I hosted in Virginia last fall. And earlier today I had an opportunity to see the programs at Taft High School firsthand.

There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in the emerging global economy, environmental destruction knows no borders -- and that a healthy economy requires a healthy environment.

And a kinder, gentler environment also means a society where every man, woman and child can live and prosper in an environment free from fear. That means freedom from crime, and especially the increasingly violent crime that's been spawned by drug abuse and trafficking. On our anti-crime package as well, it's time for Congress to act. \\  
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There is much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we have accomplished together. Let me suggest two areas.

At home, more than anything else, a kinder, gentler nation is one in which everyone who wants a job, has a job. And today America has the lowest unemployment rate since 1973 -- and Ohio has reached its highest employment level in history. \\  
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Abroad, for more than 40 years, three generations of Americans have stood steadfast in a world often filled with challenge, rebuke and even insult. Firm in our belief in America's might and in America's destiny as leader of the free world, our spirit did not falter, our troops did not flinch.

And today, after the watershed events of 1989, the free world we're leading is growing bigger all the time.

In the past month we saw democracy restored to the brave people of Panama. We saw the powerful brought before the bar of justice. And we saw a proud people weep with gratitude over the sacrifice of American soldiers.

And somehow, it seems more than a coincidence. Because in that same month, we hear that the Bald Eagle -- the American Eagle -- may soon come off the endangered species list.

Ladies and gentlemen -- America is back. \ \ And this time, America is back to stay.

Thank you. God bless you. And God bless Cincinnati!

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THE WHITE HOUSE

Office of the Press Secretary  
(Cincinnati, Ohio)

For Immediate Release

January 12, 1990

REMARKS BY THE PRESIDENT  
TO THE CINCINNATI CHAMBER OF COMMERCE

The Hyatt Regency Hotel  
Cincinnati, Ohio

2:16 P.M. EST

THE PRESIDENT: Thank you all for that welcome back. And, Joe, thank you, sir, for those very kind words. I'm very pleased that both Tom Luken and Bill Gradison made their flight out with us on Air Force One today, and they're both with us. And if it's not inappropriate, I would ask Joe if I could ask them both to stand out and be saluted by this audience of friends. (Applause.)

Where did Tom go? Okay, we'll let his son represent him -- the Mayor of Cincinnati. (Laughter.)

But I'm delighted to be back in here. And it is a nonpartisan, nonpolitical gathering -- first one I've attended in Hamilton County like that in a long, long time. (Laughter.)

And it's good to see state Senator Stan Aronoff over here. My friend, Bob Taft, the Commissioner; the Mayor, who is doing a superb job, Charles Luken.

Delighted to be back here in Cincinnati. I will say to you, Joe, that, yes, I learned a lot from that spectacular program there at Taft, and I expect we all ought to salute the leadership of Proctor and Gamble -- my friend, John Smale, always out front on what I call a "Thousand Points of Light," trying to help somebody else. But for those of you in this community who have not had a chance to see what it is I'm talking about here, this new program of voluntarism interacting with the best in professionalism at a school to help lift these kids up, you ought to go take a look and you ought to get involved. It is stimulating in every single way.

Actually, I was hoping to get out here for the Reds' Opening Day. But they tell me I'm three months too early. (Laughter.) Same problem I ran into on Pearl Harbor Day. (Laughter and applause.) But here I am. And we're not here to talk baseball, but you can claim him in Cincinnati and I'll claim him from Houston, but I'm mighty proud of Joe Morgan making it into the Hall of Fame. (Applause.) You got Johnny Bench and now you've got Joe.

And let me, Colonel, thank you and the Air Force for that magnificent music and being with us here today.

You know, it is fitting, in the days leading up to the State of the Union Address, we should meet again in Cincinnati. The last time I visited was in November of '88, in the final days of the presidential campaign. And earlier, Cincinnati was one of my last stops before the convention in New Orleans.

On the trip before that we spent a morning out at Proctor and Gamble's R & D facility. They taught me a trick that every president should know: How to put toothpaste back into the tube. (Laughter.) A marvelously educational experience. (Laughter.)

All in all, I did come here four times during the presidential campaign. I talked of America's future and of future generations. I talked of certain principles. Told you that I was ready to make the tough calls and to take the heat -- and today I've come back to tell you that I'm ready to make good on that pledge. Because up on Capitol Hill some important business remains unfinished, promises have gone unfulfilled.

We sent responsible proposals to Congress in a lot of areas, but certainly in four of America's most critical areas. Capital gains. America's children. Clean air. And combatting crime.

In some cases, our proposals have been under consideration with Congress for the better part of a year. And these four issues are bogged down in the jungles on Capitol Hill. The clock is running. And America's patience is running out. And I'm not here to assign blame; I'm here to suggest that we need to move forward. America wants it done right. America wants it done responsibly. And America wants it done now. And these four initiatives represent only part of the way in which the events of 1989 will effect the coming year.

We've seen a lot of exhilarating changes in recent months that offer new hope for world peace. It's an exciting time we're living in, and we like what's happening in Central Europe. But just as it would have been impossible six months ago to predict those thunderous changes, it's impossible today to know what will unfold in the next six months, let alone the next six years.

But in this world of change, one thing is certain: America must be ready. And as excited as I am about the changes moving toward a more peaceful Europe -- Eastern Europe -- America must be strong. And a strong America means not only a strong economy. It still must mean a strong defense. A ready and highly-effective defense force. And if proof of that were ever needed, we saw it in that superb, beautifully-coordinated operation last month; we saw it in the courage of our troops in Panama.

I welcome the dynamic changes in Eastern Europe. I strongly support, as I bet we all do, Mr. Gorbachev's perestroika and his commitment to peaceful change and openness -- glasnost. But this is not the time, this is not the time that we should naively cut the muscle out of our defense posture. And yet some thing that all the answers to this year's problems can be found by spending what is called in Washington a "peace dividend." It's like a next-of-kin who spent the inheritance before the will is read.

And, unfortunately, what is being packaged as a dividend is not money in the bank. It is more like a possible future inheritance, a legacy that will enable us to pass on a better world to our children and, like an inheritance, it's a special gift, a legacy not only of prosperity, but also security earned by the hard work and sacrifice of those who came before.

Of course, whenever a potential inheritance looms there are those eager to rush out and squander it -- to buy new things, to spend, to spend, to spend -- and spending funds they don't yet have. Then the bills start coming. And the inheritance may not. And what was promised as a bonus becomes a burden. In Washington, that burden comes in the form of a new spending program.

That's not going to happen. Because most Americans know we not only must maintain a strong defense, but still must reduce the deficit. (Applause.) And reducing the deficit isn't just a good idea, a sound idea, an idea of sound fiscal policy. It's what the American people want. And, as our two Congressmen here today know, it's the law. It's required under the Gramm-Rudman-Hollings law.

The way to reduce the deficit is to restrain the spending

growth and continue the economic growth. And it's not the time, as some like to say, to go on out and raise the taxes on the working men and women in this country. The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low -- and I'm not satisfied yet; I'm encouraged, but I'm not satisfied at all. Want to see them lower. (Applause.) And I say all this because the best poverty program -- the best antipoverty program, if you will, is a good job. And the best jobs program is a sound, strong central economy. (Applause.)

A sound economy is a competitive economy. And to keep America competitive, to fuel our continuing growth -- in some areas, boom -- we also need an infusion of new venture capital. That's why we need a majority in both Houses of Congress -- what they've already voted for, and I'm talking about a tax cut on capital gains. (Applause.)

As the world turns to freer markets -- and you're seeing this happen -- some solidifying their commitment to freer markets; countries that never had the benefit of free markets beginning to move, taking early steps towards free markets. But as the world moves in this direction, this is no time to become wishy-washy about where America stands. The jury is no longer out. Markets work. Government controls do not work. (Applause.)

And since the debate has all but ended on this issue, perhaps our most die-hard ideologues can now turn their attention to the real question that divides America: Is it Texas or Cincinnati that produces the world's best chili? (Laughter and applause.) Of course, this is a question to be decided by the market -- (laughter) -- and that's what I'm trying to tell you all here today.

The economic challenge of the '90s is to make markets work better. And one of the best ways a government can do that is to do what people around the world are asking their governments to do: Get out of the way. Less regulation; fewer mandated programs from Washington that tie the hands of our health care providers, our educators and so many others as well.

You see, our ideas work here at home. We're in the midst of the longest peacetime expansion in the history of the United States, an 86-month expansion that has created an astonishing 20 million new jobs since 1982.

That's due to the genius of places like Cincinnati and the solid American values that have flourished here and inspired the world from Central Europe to Central America.

The whole world is watching. And the whole world is ready. The headlines tell of other nations buying American. That's good news -- not bad news. We've been urging our own people to "Buy America" for years -- to invest in the greatest job-creating machine of the 20th century.

And it's no surprise, then, the world investors are following suit. The results are in: America is the choice.

We don't have to look elsewhere to know what works. If you want to follow the smart money advice of the 1990s, go to where the Japanese and the Europeans are going. Look at the United States of America. Look at what the rest of the world calls "the American miracle."

You've seen it happen. You've made it happen. You've been a part of it happening right here in Cincinnati U.S.A., "The Blue Chip City," where 150,000 more people are at work than were working six years ago -- 150,000 more. Cincinnati produced its miracle the old-fashioned way -- the American way. It's an old tradition here. When he first opened his slaughterhouse in 1810, Richard Fosdick was warned that meat couldn't be cured in

Cincinnati's climate. But he didn't know that it couldn't be done. He continued his experiments until he discovered the rock-salt process for curing meat -- and made this city the principal hog market of the world.

Renewing our emphasis on innovation is one of the ways modern Cincinnati has prospered. You've also built a diverse economic base. Stripped away corporate fat. Renewed our emphasis on quality. "Fortune" says Cincinnati makes some of the best jet engines in the entire world.

Ultimately, these are the kind of efforts that will determine how America fares in the competitive, free-trade world of '90s. The way of the future is free people. And the way of the future, in my view, is and must be free trade. And free people and free trade is what America is all about.

Of course, it's not enough that we say free -- that trade simply be free. It has also got to be fair. And I am not complacent, I am not satisfied with where things stand. We must do better in removing barriers to Americans' goods and services, whether those barriers be in Japan, in Western Europe, or anywhere else in the world.

A global game is afoot, a game in which a Cincinnati businessman can now fly non-stop to London and Frankfurt any day of the week.

If the rules are fair and the same for everybody, we can play this game. It's called free enterprise. And America is the free enterprise capitol of the world.

Winning in the competitive '90s will take more than investing in products. We must also invest in people. And that was what was so moving about my experience today here at lunch. We must invest in people. And that means offering every American child an education second to none.

Our Education Excellence Act remains a priority of my administration -- sent to Congress almost nine months ago. It calls for choice, flexibility, and accountability. And the time for study is past. And the time for action is now.

You in Cincinnati have acted, working to educate and train our people for the 21st century. Three years ago business, educational, and community leaders here came together to take on a mighty task: reduce the numbers of students at risk -- that staggering 40 percent dropout rate in Cincinnati's public schools.

The result was what I saw today -- that Cincinnati Youth Collaborative -- an intensive people-to-people "mentoring" program that many of you support. And it's already seen some fantastic, early success.

It has America talking. Your Governor visited one of the participating classrooms at McKinley Preschool before coming out to the Education Summit that I hosted there in Charlottesville, Virginia last fall. And earlier today, as I said, I had this opportunity to see the programs -- the tremendous programs -- at Taft High School firsthand.

I guess the most moving part of it for me today was the mentoring part. Involvement of one Cincinnati in the life of another. An older man, an older woman taking under his or her arm a kid -- lifting them up, helping them when they're hurt. A beautiful experience.

There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in an emerging global economy, environmental

destruction knows no borders -- and that a healthy economy goes hand-in-hand with a healthy environment.

And a kinder, gentler environment also means a society where every man, woman and child can live and prosper in an environment free from fear. And that, then, means freedom from crime. And especially the increasingly violent crime that has been spawned by this plague of drug abuse -- drug trafficking. Our anticrime package as well, it's time for the Congress to act on it.

There's much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we've all accomplished together. Let me suggest two areas.

At home, more than anything else -- if you had to define it -- a kinder and gentler nation is one in which everyone who wants a job has a job. And today America has the lowest unemployment rate since 1973 -- and Ohio has reached its highest employment level in history.

Abroad, for more than 40 years, three generations has stood steadfast in an often hostile and tumultuous world. Firm in our belief in America's destiny as leader of the free world, our spirit did not falter, our troops did not flinch.

And today, after the watershed events of 1989, the free world that we're leading is growing bigger all the time.

And in the past months we saw democracy restored to the brave people of Panama. We want to help them enhance it and strengthen it. We saw the powerful brought before the bar of justice. And we took pride in the skill and the courage and yes, the sacrifice of American soldiers.

The Panamanian operation was conducted by highly trained troops. The best. The finest. The best trained troops in the world. But it is not simply training, it's patriotism and it's dedication.

I went to a couple of hospitals in San Antonio -- Barbara and I did -- to talk to some of our wounded. And I'll never ever forget their spirit. One kid lying there severely wounded said -- my only regret, he said, is that I'm here, not down there with the others. Pride in America, in my view, has never been higher.

And somehow, it is more than coincidence. In the same month, we hear that the Bald Eagle -- the American Eagle -- may soon come off the endangered species list. How about that? (Applause.)

In case you don't understand it, I love my job. (Laughter and applause.) We've got a lot to do. But as you see the changes in Eastern Europe, see Mr. Gorbachev struggling against what some would say, just terribly difficult odds. Things are coming our way. They're moving toward freedom, they're moving toward democracy. And I am proud to be at the helm.

Thank you all. God bless you. And God bless Cincinnati. And God bless the United States of America. Thank you very, very much. (Applause.)

END

2:37 P.M. EST