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THE WHITE HOUSE

Office of the Press Secretary
(Los Angeles, California)

For Immediate Release

February 6, 1990

REMARKS BY THE PRESIDENT
DURING FUNDRAISING DINNER FOR
CALIFORNIA STATE G.O.P.

Century Plaza Hotel
Los Angeles, California

8:26 P.M. PST

THE PRESIDENT: Thank you, Frank, and Governor Deukmejian. Duke, always a pleasure to see you. To the California State Delegation, many of whom are here, thank you for coming. And it's great to see our party Chairman Lee Atwater with us tonight. He's doing an outstanding job. (Applause.) He plays that rhythm and blues -- I'd rather hear Vicky Carr sing, but nevertheless. (Laughter.)

And thank you for the beautiful rendition of the Star-Spangled Banner. Johnny, the honorary mayor of Hollywood. And all of you who are supporting this marvelous effort for our party, headed by Frank Visco -- and, Frank, thank you for the introduction.

I see that we have a lot of celebrities here tonight. Bob Hope, thank you, sir, for your remarks. When I first saw this star-studded audience, I thought I'd wandered into a Lakers' game. (Laughter.)

I don't think there have been so many celebrities in one place since they used to be there at Dodgers Stadium -- at Tommy Lasorda's office before they allowed the visitors -- kicked the visitors out of there.

And, of course, Arnold Schwarzenegger is here. He was up visiting Barbara and me the other day at Camp David. I call him, "Conan the Republican." And he has taken on a big job for us as Chairman of this Fitness Council, and it's very, very important -- he's taking it seriously. We saw his beautiful new daughter up there at Camp David -- I bent over to kiss her and she tried to bench-press me. (Laughter.) Where is he? Oh, right. Sorry about that. (Laughter.) That's when I realized that any kid who has her own set of free weights doesn't need a teddy bear. (Laughter.)

Now, there's one more person I'd like to mention tonight, even though he's not here -- a friend of everybody in this room -- tonight he's celebrating his 79th birthday, and I would like to simply say, happy birthday, President Reagan, wherever you are, and best wishes from all of us. (Applause.)

This is my first trip out here on behalf of the California state party. I want to thank all of you for the victory that you gave us here on election night. I'll never forget the close win here. You have my gratitude -- Duke, certainly, Governor, you do -- and my appreciation for your hard work and commitment for a job well-done.

But tonight, I want to talk to you about another job: the job of preparing our great country for the future. Last Wednesday, I made my first State of the Union address to the nation. I covered a lot of ground because our country faces diverse challenges that will test every American as we enter this new decade.

MORE

Around the world, there is, as we've heard here tonight, rapid and welcome change, as people from Panama to Prague strive for democracy. Self-determination is contagious. They even want it in Malibu, I understand. (Laughter.) But millions of people are leaping over their volleyball nets to free them. (Laughter.) No, but seriously -- (laughter) -- millions of people are looking to America for the hope and encouragement they need as they seek the same freedom we have here. Freedom of expression, security and opportunity we enjoy. And America will be there to help.

(Interruption by demonstrator.)

THE PRESIDENT: But if America is to continue its traditional leadership role, we've got to be competitive enough to take on the job, and strong and smart enough to do it right.

(Interruption again by demonstrator.)

THE PRESIDENT: Today -- she's pretty tough. (Laughter and applause.) You know, economic times are reasonably good and we're enjoying the greatest economic expansion in peacetime history. But to maintain the growth that has provided better lives for millions of Americans, we've got to make sure that America becomes even stronger. We've got to invest in our future.

And first, a sound education for our kids must be the first and foremost, and it is. (Applause.) And we have proposed the largest education budget in history. But real improvement in our schools is not simply a matter of spending more. It's a matter of asking more of our students, our teachers, our parents, our schools. And while the federal government is going to help meet its national challenge, the states -- the "laboratories" of democracy, as Justice Brandeis put it -- will do a much better job than we ever can. And that's why we've announced new education goals for our country, developed working with Governor Deukmejian and the other 49 governors.

By the year 2000, every child must start school ready to learn and we've got to increase our high school graduation rate to no less than 90 percent. (Applause.) And we're going to make sure that our schools' diplomas mean something. In critical subjects -- at the 4th, 8th and 12th grades -- we must assess our students' performance. By the year 2000, U.S. students must be first in the world in math and science skills. (Applause.) And every American adult must be a literate worker and citizen. Every school in America must offer the kind of disciplined environment needed for our kids to learn. (Applause.) And this other goal, every school in America must be drug-free. (Applause.)

Here in California, we've designated Los Angeles as a "high intensity drug trafficking area" -- to help this great city rid itself of the scourge of drugs. And we've got to get PCP and crack off the streets and out of the schools. And it's time we got more federal resources into the hands of those on the front lines. If we are to compete internationally, America must be drug-free, well-educated and ready to do the job right. (Applause.)

And there's another investment we must make for the future of this country to keep competitive -- and I'm talking about R&D, research and development. California can be proud of its great research institutions. Schools like these will dream the dreams and create the ideas that form the cornerstone of our economic power in the years to come. And that's why our 1991 budget includes a record-high \$71-billion proposal for research and development. And with the best young minds of the next generation on our side, America will win the research and development race.

Education, a drug-free workplace, and research and development are part of the mix for economic competitiveness. But there's one more important ingredient -- and many here know this -- savings and investment. And together, they create jobs and promote opportunity for all Americans. And so we've proposed the Savings and

Economic Growth Act, which includes our family savings account proposal and provisions to allow first-time home buyers to make an early withdrawal from those IRAs without penalty. (Applause.)

And it does one more thing; it proposes a cut in the rate in the capital gains tax. (Applause.) Last year, a majority in both Houses of Congress showed their support for this capital gains tax cut. And this year, with your help, we'll pass that tax cut to give our competitors a run for the money and keep the American economy going strong. (Applause.)

But to remain competitive, government must also reflect the new world emerging around us -- like the National Training Center base I've just visited in Barstow -- that Barbara and I were at today -- and later going to the Strategic Air Command base near Omaha. As the nature of the threats to the American security change -- and they are changing -- so, too, must our response change. Our forces will remain robust, well-trained, highly professional but geared to the new challenges of the '90s. And I believe that we can do that. I'm in a big battle in Congress, and I'd like to have your support to keep reasonable levels of defense. I'm not going to miss an opportunity to cut, but I want to do it prudently, and I want to get something from the other side when we do it. (Applause.)

Finally, one more thought here -- kind of competitiveness I'd like to talk to you about. Let me tell you a story about a summer night, 1981, when a group of California Democrats sat in a restaurant in Sacramento with a pencil and a paper, redesigning California's political landscape. They drew what one of them called at the time their "contribution to modern art" -- it was their words. Well, we've got a name for it, and we call it gerrymandering.

Lines were drawn across communities, towns, even streets into twisted, contorted crazy shapes -- without the slightest regard for either the will of the people or the rules of elementary fairness. Since those lines went into effect, there have been 135 general elections for California's congressional seats, and only once has a seat changed party control.

In 1984, in fact, Republican congressional candidates together received more total votes than the Democratic candidates and yet won nine fewer seats. The 1990 Census may, and probably will, give California up to seven new congressional seats -- meaning that nearly one out of every eight congressmen in Washington will represent California. And all existing California congressional district lines will have to be redrawn -- this time not with pencils in a restaurant, but by state-of-the-art advanced computers. The time has come for redistricting reform. And we've got to end the charade of that Phil Burton Democratic gerrymandering that has deprived this state of fair representation. (Applause.)

Look, unlike the Democrats, we don't need gerrymandering because Republicans can win on the issues. You heard Duke say it. In fact, we can put the Democrats out of business -- on the issues. Look at what this Governor's Republican administration has accomplished since 1983: the unemployment rate was 11, cut to 5.2 percent; 2.7 million new jobs created in this great state.

The list keeps growing: 14 new and expanded prisons open in 1991, education funding more than doubled, drug education now included in every school from grades four to eight. California now has some of the toughest environmental laws in the nation, with thousands of acres of sensitive lands acquired and preserved. And thanks to common-sense policies and strong leadership, California is better off than it ever has been. Let's keep it that way. Let's keep it Republican, and let's elect Pete Wilson next November to be governor of this great state. (Applause.)

Unfortunately, Pete couldn't join us tonight. He's in Washington -- a crucial vote in the Senate on education. I appreciate his work, for he's a proven winner -- and the voters know it. And he's a strong environmentalist, a leader of the war on

drugs, key member of our team in the United States Senate. And believe me, we'll miss Senator Wilson, but come to think of it, I really like the sound of Governor Pete Wilson. (Applause.)

You know Pete will be leading a solid team of candidates for state office to victory, and with him they'll be the ones to keep the taxes low, the environment clean and the economy strong.

People say I'm a cautious guy, and I can understand that -- well, I really can't understand it. I'm going to go out on a limb tonight and make a prediction: 1990 will be a great year for the Golden State because Pete Wilson will be your next governor. (Applause.)

So my plea, in the tradition of Ronald Reagan and George Deukmejian, let's keep California great and keep it Republican.

Barbara and I are delighted to be with you. Thank you for what you're doing for this party, thank you for what you're doing for the campaign for governor and the other statewide races. Thank you all, God bless you, and God bless the United States of America. Thank you very much.

END

8:43 P.M. PST

THE WHITE HOUSE
WASHINGTON



FACSIMILE TRANSMITTAL SHEET

NUMBER OF PAGES INCLUDING COVER 12

DATE 2/5

TO David Oster / WHCA Operations

FAX NUMBER 202/277-7658

OFFICE NUMBER _____

COMMENTS [REDACTED]

FROM Christina Martin

FAX NUMBER _____

OFFICE NUMBER 202/456-2930

CALIFORNIA STATE G.O.P. FUNDRAISER / LOS ANGELES, CA
TUESDAY, FEBRUARY 6, 1990 / 7:15 P.M.

THANK YOU. GOVERNOR DEUKMEIJIAN, IT'S ALWAYS A
PLEASURE TO SEE YOU. CONGRESSMAN DORNAN, THANK YOU FOR
COMING TONIGHT, AND IT'S GREAT TO SEE OUR PARTY
CHAIRMAN, LEE ATWATER. MY THANKS TO OUR M.C., JOHNNY
GRANT -- KNOWN AS THE "HONORARY MAYOR" OF HOLLYWOOD.
AND I'D LIKE TO THANK OUR STATE PARTY CHAIRMAN, FRANK
VISCO, FOR THAT WARM INTRODUCTION.

WE'VE GOT QUITE A FEW CELEBRITIES HERE TONIGHT ...
FRANK SINATRA, BOB HOPE, CHERYL LADD, CHARLTON HESTON,
JACLYN SMITH. WHEN I FIRST SAW THIS STAR-STUDED
AUDIENCE, I THOUGHT I HAD ACCIDENTLY WANDERED INTO A
LAKERS' GAME.\\\

I DON'T THINK THERE HAVE BEEN SO MANY CELEBRITIES
IN ONE PLACE SINCE THE DAYS WHEN VISITORS WERE ALLOWED
IN TOMMY LASORDA'S OFFICE AT DODGER STADIUM.\\\

AND OF COURSE, I SEE ARNOLD SCHWARZENEGGER IS HERE -- "CONAN THE REPUBLICAN." BUT I'M WORRIED THAT ARNOLD IS TAKING HIS NEW JOB AS CHAIRMAN OF MY COUNCIL ON PHYSICAL FITNESS TOO SERIOUSLY. WHEN I SAW HIS DARLING NEW BABY DAUGHTER, I BENT OVER TO KISS HER. \\ SHE TRIED TO BENCH-PRESS ME. AND THAT'S WHEN I REALIZED THAT ANY KID WITH HER OWN SET OF FREE WEIGHTS DOESN'T NEED A TEDDY BEAR.\\

AND THERE'S ONE MORE PERSON I'D LIKE TO MENTION TONIGHT. EVEN THOUGH HE'S NOT HERE, HE'S A FRIEND OF EVERYONE IN THIS ROOM, AND TONIGHT HE'S CELEBRATING HIS 79TH BIRTHDAY. SO FOR EVERYONE HERE, I'D LIKE TO SAY "HAPPY BIRTHDAY, PRESIDENT REAGAN," BEST WISHES FROM ALL OF US.\\

THIS IS MY FIRST TRIP AS PRESIDENT ON BEHALF OF THE CALIFORNIA STATE PARTY, AND I WANT TO THANK ALL OF YOU FOR THE VICTORY YOU GAVE US HERE ON ELECTION NIGHT. I WILL NEVER FORGET THE CLOSE WIN HERE, AND YOU HAVE MY GRATITUDE AND MY APPRECIATION FOR YOUR HARD WORK AND COMMITMENT. A JOB WELL DONE.

BUT TONIGHT, I WANT TO TALK TO YOU ABOUT ANOTHER JOB: THE JOB OF PREPARING AMERICA FOR THE FUTURE. LAST WEDNESDAY, I MADE MY FIRST STATE OF THE UNION ADDRESS TO THE NATION. \\\

I COVERED A LOT OF TERRITORY, BECAUSE OUR COUNTRY FACES DIVERSE CHALLENGES THAT WILL TEST EVERY AMERICAN AS WE ENTER THIS NEW DECADE.

AROUND THE WORLD, THERE IS RAPID AND WELCOME CHANGE, AS PEOPLE FROM PANAMA TO PRAGUE STRIVE FOR DEMOCRACY. MILLIONS OF PEOPLE ARE LOOKING TO AMERICA FOR THE HOPE AND ENCOURAGEMENT THEY NEED AS THEY SEEK THE SAME FREEDOM, SECURITY AND OPPORTUNITY WE ENJOY. AND AMERICA WILL BE THERE TO HELP.\\

BUT IF AMERICA IS TO CONTINUE ITS TRADITIONAL LEADERSHIP ROLE, WE MUST BE COMPETITIVE ENOUGH TO TAKE ON THE JOB, AND STRONG ENOUGH AND SMART ENOUGH TO DO THE JOB RIGHT.

TODAY, ECONOMIC TIMES IN THE UNITED STATES ARE GOOD. WE ARE ENJOYING THE GREATEST ECONOMIC EXPANSION IN AMERICAN PEACETIME HISTORY. BUT TO MAINTAIN THE GROWTH THAT HAS PROVIDED BETTER LIVES FOR MILLIONS OF AMERICANS, WE MUST MAKE SURE AMERICA BECOMES EVEN STRONGER. WE HAVE TO INVEST IN OUR FUTURE.

A SOUND EDUCATION FOR OUR CHILDREN MUST BE FIRST AND FOREMOST, AND IT IS. WE HAVE PROPOSED THE LARGEST EDUCATION BUDGET IN HISTORY. BUT REAL IMPROVEMENT IN OUR SCHOOLS IS NOT SIMPLY A MATTER OF SPENDING MORE. IT'S A MATTER OF ASKING MORE -- OF OUR STUDENTS, OUR TEACHERS, OUR PARENTS AND OUR SCHOOLS. AND WHILE THE FEDERAL GOVERNMENT WILL HELP MEET THIS NATIONAL CHALLENGE, THE STATES -- THE "LABORATORIES" OF DEMOCRACY, AS JUSTICE BRANDEIS PUT IT -- WILL DO A MUCH BETTER JOB THAN WE EVER CAN. THAT'S WHY WE'VE ANNOUNCED NEW EDUCATION GOALS FOR AMERICA, DEVELOPED WITH THE NATION'S GOVERNORS:

BY THE YEAR 2000, EVERY CHILD MUST START SCHOOL READY TO LEARN AND WE MUST INCREASE OUR HIGH SCHOOL GRADUATION RATE TO NO LESS THAN 90%. AND WE'RE GOING TO MAKE SURE OUR SCHOOLS' DIPLOMAS MEAN SOMETHING. IN CRITICAL SUBJECTS -- AT THE 4TH, 8TH AND 12TH GRADES -- WE MUST ASSESS OUR STUDENTS' PERFORMANCE. BY THE YEAR 2000, U.S. STUDENTS MUST BE FIRST IN THE WORLD IN MATH AND SCIENCE SKILLS. AND EVERY AMERICAN ADULT MUST BE A LITERATE WORKER AND CITIZEN. EVERY SCHOOL IN AMERICA MUST OFFER THE KIND OF DISCIPLINED ENVIRONMENT NEEDED FOR OUR KIDS TO LEARN. AND EVERY SCHOOL IN AMERICA MUST BE DRUG-FREE.

HERE IN CALIFORNIA, WE HAVE DESIGNATED LOS ANGELES AS A "HIGH INTENSITY DRUG TRAFFICKING AREA" -- TO HELP THIS GREAT CITY RID ITSELF OF THE SCOURGE OF DRUGS. WE'VE GOT TO GET PCP AND CRACK OFF THE STREETS AND OUT OF THE SCHOOLS. AND IT'S TIME WE GOT MORE FEDERAL RESOURCES INTO THE HANDS OF THOSE ON THE FRONT LINES. IF WE ARE TO COMPETE INTERNATIONALLY, AMERICA MUST BE DRUG-FREE, WELL-EDUCATED AND READY TO DO THE JOB RIGHT.

AND THERE'S ANOTHER INVESTMENT WE MUST MAKE FOR THE FUTURE OF THIS COUNTRY TO KEEP US COMPETITIVE: RESEARCH AND DEVELOPMENT. CALIFORNIA CAN BE PROUD OF ITS GREAT RESEARCH INSTITUTIONS. SCHOOLS LIKE THESE WILL DREAM THE DREAMS AND CREATE THE IDEAS THAT WILL FORM THE CORNERSTONE OF OUR ECONOMIC POWER IN THE YEARS TO COME. THAT'S WHY MY 1991 BUDGET INCLUDES A RECORD-HIGH \$71 BILLION PROPOSAL FOR RESEARCH AND DEVELOPMENT. WITH THE BEST YOUNG MINDS OF THE NEXT GENERATION ON OUR SIDE, AMERICA WILL WIN THE RACE IN RESEARCH AND DEVELOPMENT. \ \

EDUCATION, A DRUG FREE WORKPLACE, AND RESEARCH AND DEVELOPMENT ARE PART OF THE MIX FOR ECONOMIC COMPETITIVENESS. BUT THERE IS ONE MORE IMPORTANT INGREDIENT -- SAVINGS AND INVESTMENT. TOGETHER, THEY CREATE JOBS AND PROMOTE OPPORTUNITY FOR ALL AMERICANS.

WE'VE PROPOSED THE SAVINGS AND ECONOMIC GROWTH ACT, WHICH INCLUDES OUR "FAMILY SAVINGS ACCOUNT" PROPOSAL, AND PROVISIONS TO ALLOW FIRST-TIME HOME BUYERS TO MAKE AN EARLY WITHDRAWAL FROM THEIR IRAS WITHOUT PENALTY.

AND IT DOES ONE MORE THING. IT PROPOSES A CUT IN THE RATE IN THE CAPITAL GAINS TAX. LAST YEAR, A MAJORITY IN BOTH HOUSES OF CONGRESS SHOWED THEIR SUPPORT OF A CAPITAL GAINS TAX CUT. THIS YEAR, WITH YOUR HELP, WE'LL PASS THAT TAX CUT TO GIVE OUR COMPETITORS A RUN FOR THE MONEY AND KEEP THE AMERICAN ECONOMY GOING STRONG.

BUT TO REMAIN COMPETITIVE, GOVERNMENT MUST ALSO REFLECT THE NEW WORLD EMERGING AROUND US -- LIKE THE NATIONAL TRAINING CENTER BASE I'VE JUST VISITED IN BARSTOW, AND LATER THE STRATEGIC AIR COMMAND BASE NEAR OMAHA. AS THE NATURE OF THE THREATS TO AMERICAN SECURITY CHANGE, SO TOO MUST OUR RESPONSE. OUR FORCES WILL REMAIN ROBUST, WELL-TRAINED, HIGHLY PROFESSIONAL BUT GEARED TO THE NEW CHALLENGES OF THE 90'S.

FINALLY, THERE IS ONE MORE KIND OF COMPETITIVENESS I'D LIKE TO TALK ABOUT. LET ME TELL YOU A STORY ABOUT A SUMMER NIGHT IN 1981 WHEN A GROUP OF CALIFORNIA DEMOCRATS SAT IN A RESTAURANT IN SACRAMENTO WITH A PENCIL AND PAPER, REDESIGNING CALIFORNIA'S POLITICAL LANDSCAPE. THEY DREW WHAT ONE OF THEM CALLED AT THE TIME THEIR "CONTRIBUTION TO MODERN ART." WELL, WE'VE GOT A NAME FOR IT, TOO.\\\ WE CALL IT GERRYMANDERING.\\\

LINES WERE DRAWN ACROSS COMMUNITIES, TOWNS, EVEN STREETS INTO TWISTED, CONTORTED CRAZY SHAPES -- WITHOUT THE SLIGHTEST REGARD FOR EITHER THE WILL OF THE PEOPLE OR THE RULES OF FAIRNESS.

SINCE THAT NIGHT, THERE HAVE BEEN 180 INDIVIDUAL ELECTIONS FOR CALIFORNIA'S CONGRESSIONAL SEATS, AND ONLY ONCE HAS A SEAT CHANGED PARTY CONTROL. IN 1984, IN FACT, REPUBLICAN CONGRESSIONAL CANDIDATES TOGETHER WON MORE TOTAL VOTES THAN THE DEMOCRATIC CANDIDATES, YET WON NINE FEWER SEATS. THE 1990 CENSUS MAY GIVE CALIFORNIA UP TO SEVEN NEW HOUSE SEATS -- MEANING THAT NEARLY 1 OF EVERY 8 CONGRESSMEN IN WASHINGTON WILL REPRESENT CALIFORNIA. AND ALL EXISTING CALIFORNIA CONGRESSIONAL DISTRICT LINES WILL HAVE TO BE REDRAWN -- THIS TIME NOT WITH PENCILS IN A RESTAURANT, BUT BY STATE-OF-THE-ART ADVANCED COMPUTERS. THE TIME HAS COME FOR REDISTRICTING REFORM. WE'VE GOT TO END THE CHARADE OF DEMOCRATIC GERRYMANDERING.\\

UNLIKE THE DEMOCRATS, REPUBLICANS DON'T NEED GERRYMANDERING, BECAUSE REPUBLICANS CAN WIN ON THE ISSUES. IN FACT, WE CAN PUT THE DEMOCRATS OUT OF BUSINESS -- ON THE ISSUES. LOOK AT WHAT GOV. DEUKMEIJIAN'S REPUBLICAN ADMINISTRATION HAS ACCOMPLISHED SINCE 1983: THE UNEMPLOYMENT RATE HAS BEEN CUT FROM 11 PERCENT TO 5.2 PERCENT, AND 2.7 MILLION NEW JOBS HAVE BEEN CREATED IN CALIFORNIA.

BUT THE LIST KEEPS GOING: FOURTEEN NEW AND EXPANDED PRISONS WILL OPEN IN 1991, EDUCATION FUNDING HAS BEEN MORE THAN DOUBLED, AND DRUG EDUCATION IS NOW INCLUDED IN EVERY SCHOOL FROM GRADES FOUR TO EIGHT. CALIFORNIA NOW HAS SOME OF THE TOUGHEST ENVIRONMENTAL LAWS IN THE NATION, WITH THOUSANDS OF ACRES OF SENSITIVE LANDS ACQUIRED AND PRESERVED. THANKS TO COMMON SENSE POLICIES AND STRONG LEADERSHIP, CALIFORNIA IS BETTER OFF THAN IT EVER HAS BEEN. LET'S KEEP IT THAT WAY. LET'S KEEP IT REPUBLICAN. LET'S ELECT PETE WILSON. \\\

UNFORTUNATELY, PETE COULDN'T JOIN US TONIGHT. HE HAD TO STAY IN WASHINGTON FOR A CRUCIAL VOTE ON THE SENATE FLOOR. I APPRECIATE HIS WORK, FOR PETE WILSON IS A PROVEN WINNER -- AND THE VOTERS KNOW IT. HE IS A STRONG ENVIRONMENTALIST, A LEADER IN THE WAR ON DRUGS, AND A KEY MEMBER OF MY TEAM IN THE U.S. SENATE. AND BELIEVE ME, WE'LL MISS SENATOR WILSON. BUT COME TO THINK OF IT, I REALLY LIKE THE SOUND OF GOVERNOR PETE WILSON.\\\

PETE WILL BE LEADING A SOLID TEAM OF GOP CANDIDATES FOR STATE OFFICE TO VICTORY. WITH HIM, THEY'LL BE THE ONES TO KEEP TAXES LOW, THE ENVIRONMENT CLEAN AND THE ECONOMY GOING STRONG.

PEOPLE SAY I'M A CAUTIOUS GUY. I CAN'T UNDERSTAND THAT. \\\ WELL, I'M GOING TO GO OUT ON A LIMB TONIGHT AND MAKE A PREDICTION: 1990 WILL BE A GREAT YEAR FOR THE GOLDEN STATE BECAUSE PETE WILSON WILL BE YOUR NEXT GOVERNOR.\\

IN THE TRADITION OF RONALD REAGAN AND GEORGE DEUKMEIJIAN, LET'S KEEP CALIFORNIA GREAT. AND KEEP IT REPUBLICAN. \\

THANK YOU, GOD BLESS YOU, AND GOD BLESS AMERICA.

#

MEMORANDUM
OF CALL

Previous editions usable

TO California State GOP

YOU WERE CALLED BY-- YOU WERE VISITED BY--

OF (Organization)

PLEASE PHONE ► FTS AUTOVON

WILL CALL AGAIN IS WAITING TO SEE YOU
 RETURNED YOUR CALL WISHES AN APPOINTMENT

MESSAGE

L.A. Trip Officer - Asst.
Maj. Ross
Data Tech: Sgt. Oster

11 pgs.

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Jefferson's "laboratories of democracy"
change to: what Justice Brandeis called
"laboratories" of democracy

IV: ADVANCING STATES AS LABORATORIES

"It is one of the happy incidents of the federal system that a single courageous state may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country." Justice Louis D. Brandeis, dissenting in *New State Ice Co. v. Liebmann*, 1932.

More than many realize, State and local governments are today performing the laboratory function cited by Justice Brandeis in a wide variety of areas—from education to transportation, from child care to the environment. In many cases Federal funding is supporting demonstration projects; in other cases Washington is granting waivers from normal Federal rules to permit experimentation. But in numerous instances States and localities are moving on their own, with their own funds, to try new and innovative approaches to problem-solving.

This blossoming of State and local innovation is welcome. As the intractability of some problems, such as those associated with poverty, attests, national approaches tried over the past 30 years have had a mixed record of success at best. Despite a level of Federal taxation which, at about 19.5 percent of the gross national product, is higher now than has been the historic norm in the past 40 years, the Federal budget is under severe and well-recognized constraints. This is not to say that the fiscal condition of State and local governments is "easy", but their budgetary situation is not dominated by large and persistent deficits as has been the case with the Federal budget.

Much more than relative fiscal capacity is important in consideration of "States as laboratories." Until quite recently a case could be made in many areas of government policy and action that a national approach, with national rules and standards, was warranted. This was so because some States departed widely from national norms in such areas as racial segregation, and some were too poor to accomplish as much as may have been judged appropriate. A lot has changed in the past quarter century.

The "one man, one vote" decisions of the Supreme Court have greatly altered State legislatures, giving greater representation to

urban areas. The civil rights revolution has been one of the seminal events of the twentieth century; to cite just one aspect of the revolution, elected black officials in the South are now commonplace. State government structures have been modernized. Income disparities among the States of earlier in this century have narrowed, and the sustained economic expansion has raised the income levels of all the States.

The U.S. Advisory Commission on Intergovernmental Relations, in a 1985 report entitled "The Question of State Government Capability", made an unequivocal judgment: "This study concludes that State governments have been transformed in almost every facet of their structure and operations."

Assessing the effects of the reductions in some Federal grant-in-aid programs in the early 1980's under President Reagan, Richard P. Nathan and Fred C. Doolittle stated: "There is evidence ... that Reagan's federalism reforms have stimulated and are continuing to stimulate state governments to increase their efforts to meet domestic needs in the functional areas in which the national government either was cutting grants-in-aid or threatening to do so." In the case of "social programs" in particular, Nathan and Doolittle cited a trend toward some retrenchment in Washington and then, based on their reporting on developments in numerous State and local governments, concluded:

"In conservative periods, the supporters of social programs are likely to find that in many instances their best strategy is a devolutionary one. They may well find in particular areas of domestic policy that the best approach is to seek support from those States and major local governments which for various reasons are sympathetic to proposals for increased social spending."

The prevailing philosophy varies by State, of course, which is the nature of a Federal system. However, by almost any measure the extremes among the States have narrowed. Those concerned about the segments of our population who have been left behind need no

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/3/90 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: CALIFORNIA STATE G.O.P. FUNDRAISER
LOS ANGELES, CALIFORNIA

SUBJECT: FEBRUARY 6, 1990 (2/2 draft five)
7:15 PM

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

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

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

THE WHITE HOUSE
WASHINGTON

1990 FEB -2 PM 5:46

February 2, 1990

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON *cw*
FROM: MARY KATE GRANT *meg*
SUBJECT: CALIFORNIA STATE G.O.P. FUNDRAISER

I. SUMMARY

Attached for your review are remarks prepared for the California Republican Party fundraiser which you will be attending on Tuesday, February 6 at the Century Plaza hotel in Los Angeles. Your remarks will be teleprompted, and you will address a crowd of 1500.

II. DISCUSSION

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Grant/Nappo
February 2, 1990
Draft five
A:GOPCAL

REMARKS: CALIFORNIA STATE G.O.P. FUNDRAISER
LOS ANGELES, CA
FEBRUARY 6, 1990
7:15 P.M.

Thank you. Governor Deukmejian, it's always a pleasure to see you. ((Names of Members of Congress pending)) I'd like to thank our state party chairman, Frank Visco, for that warm introduction. And it's great to be here with the next great governor of California, Pete Wilson. \\

We've got quite a few celebrities here tonight ... Frank Sinatra, Bob Hope, Cheryl Ladd, Charlton Heston, Jaclyn Smith. When I first saw this star-studded audience, I thought I had accidentally wandered into a Lakers' game.\\

I don't think there have been so many celebrities in one place since the days when visitors were allowed in Tommy Lasorda's office at Dodger Stadium.\\

And of course, I see Arnold Schwarzenegger is here -- "Conan the Republican." But I'm worried that Arnold is taking his new job as Chairman of my Council on Physical Fitness too seriously. When I saw his darling new baby daughter, I bent over to kiss her. \\ She tried to bench-press me. And that's when I realized that any kid with her own set of free weights doesn't need a teddy bear.\\

And there's one more person I'd like to mention tonight. Even though he's not here, he's a friend of everyone in this

room, and tonight he's celebrating his 79th birthday. So for everyone here, I'd like to say "Happy Birthday, President Reagan," best wishes from all of us.\\\

This is my first trip as President on behalf of the California state party, and I want to thank all of you for the victory you gave me here on election night. I will never forget the close win here, and you have my gratitude and my appreciation for your hard work and commitment. A job well done.

But tonight, I want to talk to you about another job: the job of preparing America for the future. Last Wednesday, I made my first State of the Union address to the Nation. \\\

I covered a lot of territory, because our country faces diverse challenges that will test every American as we enter this new decade.

Around the world, there is rapid and welcome change, as people from Panama to Prague strive for democracy. Millions of people are looking to America for the hope and encouragement they need as they seek the same freedom, security and opportunity we enjoy. And America will be there to help.

But if America is to continue its traditional leadership role, we must be competitive enough to take on the job, and strong enough and smart enough to do the job right.

Today, economic times in the United States are good. We are enjoying the greatest economic expansion in American peacetime history. Twenty-one million new jobs have been created

since 1982. And during this expansion, we have seen the lowest unemployment rate in 15 years.

But to maintain the growth that has provided better lives for millions of Americans, we have to take steps today to make sure America becomes even stronger. We have to invest in our future.

A sound education for our children must be first and foremost, and it is. We have proposed the largest education budget in history. But real improvement in our schools is not simply a matter of spending more. As I said in the State of the Union, it's a matter of asking more -- of our students, our teachers, our parents and our schools. And while the federal government will help meet this national challenge, the states -- the "laboratories of democracy," as Jefferson put it -- will do a much better job than we ever can. That's why we've announced new education goals for America, developed with the Nation's Governors:

By the year 2000, every child in this country must start school ready to learn and we must increase our high school graduation rate to no less than 90%. And we're going to make sure our schools' diplomas mean something: in critical subjects -- at 4th, 8th and 12th grades -- we must assess our students' performance. By the year 2000, U.S. students must be first in the world in math and science skills. Every American adult must be a literate worker and citizen. Every school in America must offer the kids of disciplined environment that makes it possible for

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Here in California, we have just designated Los Angeles as a "high intensity drug trafficking area" -- to help this great city rid itself of the scourge of drugs. Gang violence must stop. We've got to get PCP and crack off the streets and out of the schools. And it's time we got more Federal resources into the hands of those brave men and women out on the front lines. If we are to compete internationally, America must be drug-free, well-educated and ready to do the job right.

And there's another investment we must make for the future of this country to keep us competitive: research and development. California can be proud of the long tradition of high-tech innovation, scientific breakthroughs and medical advances at its research institutions -- from Berkeley and the state polytechnic universities, to Irvine and Stanford. Schools like these will dream the dreams and create the ideas that will form the cornerstone of our economic power in the years to come. That's why my 1991 budget includes a record-high \$71 billion proposal for research and development, and a permanent tax credit for research and experimentation. California is a pacesetter in the race for the latest in research and development. And with the best young minds of the next generation, it's a race America will win. \\\

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We've proposed the Savings and Economic Growth Act, which includes our "Family Savings Account" proposal, and provisions to allow first-time home buyers to make an early withdrawal from their IRAs without penalty.

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Lines were drawn across communities, towns, even streets into twisted, contorted crazy shapes -- without the slightest regard for either the will of the people or the rules of fairness.

Since that night, there have been 180 individual elections for California's congressional seats, and only once has a seat changed party control. In 1984, in fact, Republican Congressional candidates together won more total votes than the Democratic candidates, yet won nine fewer seats. The 1990 Census may give California up to seven new House seats -- meaning that nearly 1 of every 8 Congressmen in Washington will represent California. And all existing California Congressional district lines will have to be redrawn -- this time not with pencils in a restaurant, but by state-of-the-art advanced computers. The time has come for redistricting reform. We've got to end the charade of Democratic gerrymandering.\\\

Unlike the Democrats, Republicans don't need gerrymandering, because Republicans can win on the issues. In fact, we can put the Democrats out of business -- on the issues. Look at what Gov. Deukmejian's Republican administration has accomplished since 1983: The unemployment rate has been cut from 11 percent to 5.2 percent, and 2.7 million new jobs have been created in California.

But the list keeps going: Fourteen new and expanded prisons will open in 1991, education funding has been more than doubled, and drug education is now included in every school from grades four to eight. California now has some of the toughest environmental laws in the nation, with thousands of acres of sensitive lands acquired and preserved. Thanks to common sense policies and strong leadership, California is better off than it ever has been. Let's keep it that way. Let's keep it Republican. Let's elect Pete Wilson. \\\

Pete Wilson is a proven winner -- and the voters know it. In fact, Pete has won more votes in a single election than anyone in the history of the United States Congress -- 5.1 million votes in the last statewide race. Pete is a strong environmentalist, a leader in the war on drugs, and a key member of my team in the U.S. Senate. And believe me, we'll miss Senator Wilson. But come to think of it, I really like the sound of Governor Pete Wilson.\\\

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People say I'm a cautious guy. I can't understand that. \\ \\ Well, I'm going to go out on a limb tonight and make a prediction: 1990 will be a great year for the Golden State because Pete Wilson will be your next governor. \\ \\

In the tradition of Ronald Reagan and George Deukmejian, let's keep California great. And keep it Republican. \\ \\

Thank you, God bless you, and God bless America.

#

THE WHITE HOUSE
WASHINGTON

February 2, 1990

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON *CW*
FROM: MARY KATE GRANT *MRG*
SUBJECT: CALIFORNIA STATE G.O.P. FUNDRAISER

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In the tradition of Ronald Reagan and George Deukmejian, let's keep California great. And keep it Republican. \\

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/1/90 ACTION/CONCURRENCE/COMMENT DUE BY: 2/2/90 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: CALIFORNIA STATE GOP FUNDRAISER

	ACTION	FYI		ACTION	FYI
<i>10:50</i> 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 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"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Friday, February 2, with a copy to my office. Thank you.

RESPONSE:

Today is Ronald Reagan's Birthday

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

Grant/Nappo
February 1, 1990
Draft four
A:GOPCAL

1990 JAN 32 PM 2:26

REMARKS: CALIFORNIA STATE G.O.P. FUNDRAISER
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John

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Reagan b'day

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*Pink
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^{In fact,} ~~We can~~ ^{the Democrats} put them out of business -- on the issues. Look at what Gov. Deukmejian's Republican administration has accomplished since 1983: ^{The Un/} Employment ^{rate} has been cut from 11 percent to 5.3 percent, and 2.7 million new jobs have been created in California. ~~A \$1.5 billion budget deficit has been turned into a substantial surplus -- one with a prudent reserve and no general tax increases.~~

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WASHINGTON



February 2, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM:

JIM PINKERTON

SUBJECT:

California State GOP Fundraiser

pg. 2, para. 4, line 2 "We are enjoying our greatest economic expansion in American peacetime history."

A suggestion: Marty Anderson, the distinguished Hoover Institution fellow and a Californian who was domestic policy advisor to President Reagan, points out in the attached op-ed piece that in fact this is the greatest expansion not only in peacetime but in all of American history.

The President could say "We are enjoying the longest economic expansion in American peacetime history. In fact, as a great California Republican, Prof. Martin Anderson, has pointed out, that in terms of jobs and wealth creation, this is the greatest expansion in not only in peacetime, not only in all of American history, but it is the greatest expansion the world has ever seen in any country, at any time."

2,6,3 "But contrary to popular belief, real improvement in our schools is not simply a matter of spending more."

To make this point especially forceful and profound, we suggest adding language to underscore that the President is proposing to change the way we look at education: from a quantitative perspective (e.g., how much money we spend) to a qualitative perspective (e.g., how well students actually perform). We should also stress that the President has some bold new ideas on how to achieve educational reform: increasing parental choice in where they send their kids to school, and alternative certification to broaden the pool of teaching talent. However, the states are doing the most creative and innovative thinking about education. While the Feds want to help solve this national challenge, the states -- the "laboratories of democracy" as Jefferson put it, will do a much better job of meeting the education goals than any centralized bureaucracy.

3,3,3 "We've got to get our kids away from savage gangs like the 'Bloods' and 'Crips.'"

We suggest either omitting the words "savage gangs" or

(more)

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omitting the names of the gangs -- either, but not both. The reason is simply that everyone in L.A., if not California, knows the names of the tow gangs. Otherwise it is a bit like the President saying to a political audience, "We've got to support competition between the two political parties, the Republican Party and the Democratic Party" -- giving the names with the corresponding concept is superfluous.

3,3,7 "...brave souls...."

The phrase seems weak to us -- almost flippant. Also, there may be some vague suggestion of a racial reference here to some. We suggest simply omitting the two words.

5,3,3 "Let me tell you a story about a night in 1982 when the late Congressman Phil Burton...."

De mortuis nihil nisi bonum (Trans.: Don't kick a man when he's down, especially if he's dead). It's o.k. to tell the redistricting story, but we should omit the reference to the late Phil Burton. The President will not wish to attack someone who is not here to defend himself.

6,1,1 "...yet won fewer seats."

We suggest citing the relevant number of fewer seats: nine.

6,1,6 "...this time not with pencils...but with...computer programs."

Instead of using "computer programs" as the symbol of fairness we suggest substituting the phrase "principles of fairness." This is more to the point since the computer programs are only the means of redrawing, like the pencil.

6,3,6 "A \$1.5 billion budget deficit has been turned into a substantial surplus -- one with a prudent reserve and no general tax increases."

The qualifying word "general" seems a little coy and draws attention itself. But more importantly, in light of the remaining Federal budget deficit, it will look unseemly to some for the President to be touting another chief executive's elimination of a deficit. We suggest deleting the whole sentence.

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BOOTLEG - In addition to CC: DHP's
 Comments already
 From Janet Hale submitted 4/7K/WC

WHITE HOUSE STAFFING REQUEST

SUBJECT: Presidential Remarks: California State
GOP Fundraiser

RECEIVED/STAFFED (date/time): 2/1/90 3:30 P.M.

RESPONSE DUE TO DOSG (date/time): 2/2/90 9:00 A.M.

(Even if "no comment", response should be called in to DOSG x3060)

DISTRIBUTION WITHIN OMB

	<u>Action</u>	<u>FYI</u>		<u>Action</u>	<u>FYI</u>		<u>Action</u>	<u>FYI</u>
DARMAN	___	___	GRADY	✓	___	CLARK	___	___
DIEFENDERFER	___	✓	HAUN	___	✓	AL-SAMARRIE	✓	___
ANDERSON	___	___	HOLEN	✓	___	SCULLY	✓	___
DUSAULT	___	___	MURR	✓	___	CLAY	___	___
HOWARD	✓	___	BASSO	___	___	FILE	___	___
DALE	___	___	MACRAE	___	___	___	___	___
BURMAN	___	___	DAMUS	✓	___	___	___	___
HALE	✓	___	HODSOLL	✓	___	___	___	___

COMMENTS:

90 FEB 2 12:00

"THE ATTACHED DOCUMENT IS PRESIDENTIAL MATERIAL THAT CONTAINS POLITICAL ELEMENTS. ACCORDINGLY, PLEASE RESTRICT YOUR REVIEW AND COMMENTS TO CHECKING THE ACCURACY OF FACTUAL STATEMENTS AND STATEMENTS ABOUT THE ADMINISTRATION'S OFFICIAL POLICIES AND ACTIVITIES."

Democratic candidates, yet won fewer seats. The 1990 census will give California up to seven new House seats -- meaning that nearly 1 of every 8 congressmen in Washington will represent California. And all existing California congressional district lines will have to be redrawn -- this time not with pencils in a restaurant, but by state-of-the-art advanced computer programs. The time has come for redistricting reform. We've got to end the charade of Democratic gerrymandering.!!!

Unlike the Democrats, Republicans don't need gerrymandering, because Republicans can win on the issues. State Democratic Chairman Jerry Brown admitted as much in a debate with your state GOP chairman, Frank Visco, last year when he said that a fair set of district lines would put the Democrats "out of business."

We can put them out of business -- on the issues. Look at what Gov. Deukmejian's Republican administration has accomplished since 1983: Employment has been cut from 11 percent to 5.3 percent, and 2.7 million new jobs have been created in California. A \$1.5 billion budget deficit has been turned into a substantial surplus -- one with a prudent reserve and no general tax increases.

But the list keeps going: Fourteen new prisons have been ^{and expanded} ~~built~~ ^{will open} ~~built~~, education funding has been more than doubled, and drug education is now included in every school from grades four to eight. California now has some of the toughest environmental laws in the nation, with thousands of acres of sensitive lands acquired and preserved. Thanks to common sense policies and

new prisons will open in 1991. Twelve jails will have extensions built in 1991. That will be available in 1991.

Document No. 109801SS

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/1/90 ACTION/CONCURRENCE/COMMENT DUE BY: 2/2/90 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: CALIFORNIA STATE GOP FUNDRAISER

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

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Friday, February 2, with a copy to my office. Thank you.

RESPONSE:

*Just one change -
sorry for the delay*

90 FEB 2 12:18

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

3

schools. And I also announced new education goals for America, developed with the Nation's Governors:

By the year 2000, every child in this country must start school ready to learn and we must increase our high school graduation rate to no less than 90%. And we're going to make sure our schools' diplomas mean something: at the critical grades -- 4th, 8th and 12th -- we must check all our students' progress. By the year 2000, U.S. students must be first in the world in math and science skills. Every American adult must be literate. Every school in America must offer the kids of disciplined environment that makes it possible for our kids to learn. And every school in America must be drug-free.

Here in California, ~~Director Bennett has~~ ^{I HAVE} just designated Los Angeles as a "high intensity drug trafficking area" -- to help this great city rid itself of the scourge of drugs. We've got to get our kids away from savage gangs like the "Bloods" and the "Crips," get PCP and crack off the streets and out of the schools, and get more Federal resources into the hands of those brave souls out on the front lines. If we are to compete internationally, America must be drug-free, well-educated and ready to do the job right.

And there's another investment we must make for the future of this country to keep us competitive: research and development. California can be proud of the long tradition of high-tech innovation, scientific breakthroughs and medical advances at its research institutions -- from Berkeley, to Cal Poly, to U.C.I.

JEANNIE'S COMMENTS

CW - Just found out This will
be before a crowd of 15,000.

Do you think
anything needs
to change? MK

Grant/Nappo
February 1, 1990
Draft four
A:GOPCAL

REMARKS: CALIFORNIA STATE G.O.P. FUNDRAISER
LOS ANGELES, CA
FEBRUARY 6, 1990
7:15 P.M.

Thank you. Governor Deukmejian, it's always a pleasure to see you. I'd like to thank our state party chairman, Frank Visco, for that warm introduction. And it's great to be here with the next great governor of California, Pete Wilson. \\\

We've got quite a few celebrities here tonight ... Frank Sinatra, Bob Hope, Charlton Heston. When I first saw this star-studded audience, I thought I had accidently wandered into a Lakers' game.\\\

Arnold?
Schwartz?
X

I don't think there have been so many celebrities in one place since the days when visitors were allowed in Tommy Lasorda's office at Dodger Stadium.\\\

This is my first trip as President on behalf of the California state party, and I want to thank all of you for the victory you gave me here on election night. I will never forget the close win here, and you have my gratitude and my appreciation for a job well done.

But tonight, I want to talk to you about another job: the job of preparing America for the future. Last Wednesday, I made my first State of the Union address to the Nation. \\\

I covered a lot of territory, because our country faces diverse challenges that will test every American as we enter this new decade.

Around the world, there is rapid and welcome change, as people from Panama to Prague strive for democracy. Millions of people are looking to America for the hope and encouragement they need as they seek the same freedom and opportunity we enjoy. **And America will be there to help.**

But if America is to continue its traditional leadership role, we must be competitive enough to **take on the job**, and strong enough and smart enough to **do the job right.**

Today, economic times in the United States are good. We are enjoying the greatest economic expansion in American peacetime history. Twenty million new jobs have been created since 1982. And we see the lowest unemployment rate in 15 years.

But to maintain the growth that has provided better lives for millions of Americans, we have to take steps today to make sure America becomes **even stronger. We have to invest in our future.**

A sound education for our children must be first and foremost, and it is. We have proposed the largest education budget in history. But contrary to popular belief, real improvement in our schools is **not** simply a matter of spending more. As I said in the State of the Union, it's a matter of asking more -- of our students, our teachers, our parents and our

schools. And I also announced new education goals for America, developed with the Nation's Governors:

By the year 2000, every child in this country must start school ready to learn and we must increase our high school graduation rate to **no less than 90%**. And we're going to make sure our schools' diplomas **mean something**: at the critical grades -- 4th, 8th and 12th -- we must check all our students' progress. By the year 2000, U.S. students must be **first in the world in math and science skills**. Every American adult must be literate. Every school in America must offer the kids of disciplined environment that makes it possible for our kids to learn. **And every school in America must be drug-free.**

Here in California, Director Bennett has just designated Los Angeles as a "high intensity drug trafficking area" -- to help this great city rid itself of the scourge of drugs. We've got to get our kids away from savage gangs like the "Bloods" and the "Crips," get PCP and crack off the streets and out of the schools, and get more Federal resources into the hands of those brave souls out on the front lines. If we are to compete internationally, America must be drug-free, well-educated and **ready to do the job right.**

And there's another investment we must make for the future of this country to keep us competitive: **research and development**. California can be proud of the long tradition of high-tech innovation, scientific breakthroughs and medical advances at its research institutions -- from Berkeley, to Cal Poly, to U.C.I.

-- from Berkeley and the state polytechnic universities, to Irvine and Stanford. ✓

X
should be spelled out

Schools like these will dream the dreams and create the ideas that will form the cornerstone of our economic power in the years to come. That's why my 1991 budget includes a record-high \$71 billion proposal for research and development, and a permanent tax credit for research and experimentation. **California is a pacesetter in the race for the latest in research and development. And with the best young minds of the next generation, it's a race America will win. **

Education, a drug free workplace, and research and development are part of the mix for economic competitiveness. But there is one more important ingredient -- investment. Savings and investment -- together -- create jobs and promote opportunity for all Americans.

We've proposed the Savings and Economic Growth Act, which includes our "Family Savings Account" proposal, and to provisions to allow first-time home buyers to make an early withdrawal from their IRAs.

And it does one more thing. It proposes a cut in the rate on the capital gains tax. Last year, a majority in both Houses of Congress showed their support of a cut in the capital gains tax. This year, with your help, we'll pass a capital gains tax cut to give our competitors a run for the money and keep the **American economy going strong.**

But if we are to remain competitive, government -- like the private sector -- must also reflect the new world emerging around us. Tomorrow, I'll be visiting the National Training Center base

in Barstow, California for briefings and exercises, and later the Strategic Air Command base near Omaha.

We must take into account that as the nature of the threats to American security change, so too must our response. We must change with the times. We have proposed closing some of our military bases, but we will not cut into the muscle of our defense. Our forces will remain robust, well-trained, highly professional. Our administration will work with the Congress -- to ensure that the process is a careful one, to help the communities affected accomodate the changes, and to move wisely into this new era of challenge.

Finally, there is one more kind of competitiveness I'd like to talk about. Let me tell you a story about a night in 1982 when the late Congressman Phil Burton sat in a restaurant in Sacramento with a pencil and paper, redesigning California's political landscape. He drew what he called at the time his "contribution to modern art." Well, we've got a name for it, too.\\\ We call it gerrymandering.\\\

Lines were drawn across communities, towns, even streets into twisted, contorted crazy shapes -- without the slightest regard for either the will of the people or the rules of fairness.

Since that night, there have been 180 individual elections for California's congressional seats, and only once has a seat changed party control. In 1984, in fact, Republican Congressional candidates together won more total votes than the

Democratic candidates, **yet won fewer seats.** The 1990 Census will give California up to seven new House seats -- meaning that nearly **1 of every 8 Congressmen in Washington will represent California.** And **all** existing California Congressional district lines will have to be redrawn -- this time not with pencils in a restaurant, but by state-of-the-art advanced computer programs. **The time has come for redistricting reform. We've got to end the charade of Democratic gerrymandering.\ \ **

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But the list keeps going: Fourteen new prisons have been built, education funding has been more than doubled, and drug education is now included in every school from grades four to eight. California now has some of the toughest environmental laws in the nation, with thousands of acres of sensitive lands acquired and preserved. Thanks to common sense policies and

Cannot get quote substantiated in print. I suggest we drop MK

X
✓

strong leadership, California is better off than it ever has been. **Let's keep it that way. Let's keep it Republican. Let's elect Pete Wilson. **

Pete Wilson is a proven winner -- and the voters know it. In fact, Pete has won more votes in a single election than anyone in the history of the United States Congress -- **5.1 million votes in the last statewide race.** Pete is a strong environmentalist, a leader in the war on drugs, and a key member of my team in the U.S. Senate. And believe me, we'll miss Senator Wilson. But come to think of it, I really like the sound of **Governor Pete Wilson.**

Pete will be leading a solid team of GOP candidates for state office to victory. With him, they'll be the ones to keep taxes low, the environment clean and the economy going strong.

People say I'm a cautious guy. I can't understand that. \\\ Well, I'm going to go out on a limb tonight and make a prediction: **1990 will be a great year for the Golden State because Pete Wilson will be your next governor.**

In the tradition of Ronald Reagan and George Deukmejian, let's keep California great. And keep it Republican. ///

Thank you, God bless you, and God bless America.

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



NOTICE:

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

A handwritten signature in black ink, appearing to read "David J. Haun".

David J. Haun
Executive Assistant
to the Director

90 FEB 2 11:11

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/1/90 ACTION/CONCURRENCE/COMMENT DUE BY: 2/2/90 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: CALIFORNIA STATE GOP FUNDRAISER

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RESPONSE: *See comments*

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

1990 JAN 32 PM 2: 26

Grant/Nappo
February 1, 1990
Draft four
A:GOPCAL

REMARKS: CALIFORNIA STATE G.O.P. FUNDRAISER
LOS ANGELES, CA
FEBRUARY 6, 1990
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Holers
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*Al-Samarri
45873*

strong leadership, California is better off than it ever has been. **Let's keep it that way. Let's keep it Republican. Let's elect Pete Wilson. **

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Pete will be leading a solid team of GOP candidates for state office to victory. With him, they'll be the ones to keep taxes low, the environment clean and the economy going strong.

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In the tradition of Ronald Reagan and George Deukmejian, let's keep California great. And keep it Republican. ///

Thank you, God bless you, and God bless America.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/1/90 ACTION/CONCURRENCE/COMMENT DUE BY: 2/2/90 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: CALIFORNIA STATE GOP FUNDRAISER

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

REMARKS: Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Friday, February 2, with a copy to my office. Thank you.

RESPONSE:

Handwritten notes:
 OK - WACP
 per
 James W. Cicconi
 02013 176

11:11 AM FEB 2 1990
 James W. Cicconi
 Assistant to the President
 and Deputy to the Chief of Staff
 Ext. 2702

2/11 4pm

To: Alvin Case

Let's discuss for

approval / sanction

Report due by

10th am tomorrow (Friday)

John -

452-2992

(1 page follow)

1990 JAN 32 PM 2:26

Grant/Nappo
February 1, 1990
Draft four
A:GOPCAL

REMARKS: CALIFORNIA STATE G.O.P. FUNDRAISER
LOS ANGELES, CA
FEBRUARY 6, 1990
7:15 P.M.

Thank you. Governor Deukmejian, it's always a pleasure to see you. I'd like to thank our state party chairman, Frank Visco, for that warm introduction. And it's great to be here with the next great governor of California, Pete Wilson. \\

We've got quite a few celebrities here tonight ... Frank Sinatra, Bob Hope, Charlton Heston. When I first saw this star-studded audience, I thought I had accidentally wandered into a Lakers' game.\\

I don't think there have been so many celebrities in one place since the days when visitors were allowed in Tommy Lasorda's office at Dodger Stadium.\\

This is my first trip as President on behalf of the California state party, and I want to thank all of you for the victory you gave me here on election night. I will never forget the close win here, and you have my gratitude and my appreciation for a job well done.

But tonight, I want to talk to you about another job: the job of preparing America for the future. Last Wednesday, I made my first State of the Union address to the Nation. \\

I covered a lot of territory, because our country faces diverse challenges that will test every American as we enter this new decade.

Around the world, there is rapid and welcome change, as people from Panama to Prague strive for democracy. Millions of people are looking to America for the hope and encouragement they need as they seek the same freedom and opportunity we enjoy. **And America will be there to help.**

But if America is to continue its traditional leadership role, we must be competitive enough to **take on the job**, and strong enough and smart enough to **do the job right.**

Today, economic times in the United States are good. We are enjoying the greatest economic expansion in American peacetime history. Twenty million new jobs have been created since 1982. And we see the lowest unemployment rate in 15 years.

But to maintain the growth that has provided better lives for millions of Americans, we have to take steps today to make sure America becomes even stronger. **We have to invest in our future.**

A sound education for our children must be first and foremost, and it is. We have proposed the largest education budget in history. But contrary to popular belief, real improvement in our schools is not simply a matter of spending more. As I said in the State of the Union, it's a matter of asking more -- of our students, our teachers, our parents and our

schools. And I also announced new education goals for America, developed with the Nation's Governors:

By the year 2000, every child in this country must start school ready to learn and we must increase our high school graduation rate to **no less than 90%**. And we're going to make sure our schools' diplomas **mean something**: at the critical grades -- 4th, 8th and 12th -- we must check all our students' progress. By the year 2000, U.S. students must be **first in the world in math and science skills**. Every American adult must be literate. Every school in America must offer the kids of disciplined environment that makes it possible for our kids to learn. **And every school in America must be drug-free.**

Here in California, Director Bennett has just designated Los Angeles as a "high intensity drug trafficking area" -- to help this great city rid itself of the scourge of drugs. We've got to get our kids away from savage gangs like the "Bloods" and the "Crips," get PCP and crack off the streets and out of the schools, and get more Federal resources into the hands of those brave souls out on the front lines. If we are to compete internationally, America must be drug-free, well-educated and **ready to do the job right.**

And there's another investment we must make for the future of this country to keep us competitive: **research and development**. California can be proud of the long tradition of high-tech innovation, scientific breakthroughs and medical advances at its research institutions -- from Berkeley, to Cal Poly, to U.C.I.

Schools like these will dream the dreams and create the ideas that will form the cornerstone of our economic power in the years to come. That's why my 1991 budget includes a record-high \$71 billion proposal for research and development, and a permanent tax credit for research and experimentation. **California is a pacesetter in the race for the latest in research and development. And with the best young minds of the next generation, it's a race America will win. **

Education, a drug free workplace, and research and development are part of the mix for economic competitiveness. But there is one more important ingredient -- investment. Savings and investment -- together -- create jobs and promote opportunity for all Americans.

We've proposed the Savings and Economic Growth Act, which includes our "Family Savings Account" proposal, and to provisions to allow first-time home buyers to make an early withdrawal from their IRAs.

And it does one more thing. It proposes a cut in the rate on the capital gains tax. Last year, a majority in both Houses of Congress showed their support of a cut in the capital gains tax. This year, with your help, we'll pass a capital gains tax cut to give our competitors a run for the money and keep the **American economy going strong.**

But if we are to remain competitive, government -- like the private sector -- must also reflect the new world emerging around us. Tomorrow, I'll be visiting the National Training Center base

in Barstow, California for briefings and exercises, and later the Strategic Air Command base near Omaha.

We must take into account that as the nature of the threats to American security change, so too must our response. We must change with the times. We have proposed closing some of our military bases, but we will not cut into the muscle of our defense. Our forces will remain robust, well-trained, highly professional. Our administration will work with the Congress -- to ensure that the process is a careful one, to help the communities affected accomodate the changes, and to move wisely into this new era of challenge.

Finally, there is one more kind of competitiveness I'd like to talk about. Let me tell you a story about a night in 1982 when the late Congressman Phil Burton sat in a restaurant in Sacramento with a pencil and paper, redesigning California's political landscape. He drew what he called at the time his "contribution to modern art." Well, we've got a name for it, too.\\\ We call it gerrymandering.\\\

Lines were drawn across communities, towns, even streets into twisted, contorted crazy shapes -- without the slightest regard for either the will of the people or the rules of fairness.

Since that night, there have been 180 individual elections for California's congressional seats, and only once has a seat changed party control. In 1984, in fact, Republican Congressional candidates together won more total votes than the

Democratic candidates, yet won fewer seats. The 1990 Census will give California up to seven new House seats -- meaning that nearly 1 of every 8 Congressmen in Washington will represent California. And all existing California Congressional district lines will have to be redrawn -- this time not with pencils in a restaurant, but by state-of-the-art advanced computer programs. The time has come for redistricting reform. We've got to end the charade of Democratic gerrymandering.\\\

Unlike the Democrats, Republicans don't need gerrymandering, because Republicans can win on the issues. State Democratic Chairman Jerry Brown admitted as much in a debate with your state GOP chairman, Frank Visco, last year when he said that a fair set of district lines would put the Democrats "out of business."

We can put them out of business -- on the issues. Look at what Gov. Deukmejian's Republican administration has accomplished since 1983: Employment has been cut from 11 percent to 5.3 percent, and 2.7 million new jobs have been created in California. A \$1.5 billion budget deficit has been turned into a substantial surplus -- one with a prudent reserve and no general tax increases.

But the list keeps going: Fourteen new prisons have been built, education funding has been more than doubled, and drug education is now included in every school from grades four to eight. California now has some of the toughest environmental laws in the nation, with thousands of acres of sensitive lands acquired and preserved. Thanks to common sense policies and

strong leadership, California is better off than it ever has been. **Let's keep it that way. Let's keep it Republican. Let's elect Pete Wilson. **

Pete Wilson is a proven winner -- and the voters know it. In fact, Pete has won more votes in a single election than anyone in the history of the United States Congress -- **5.1 million votes in the last statewide race.** Pete is a strong environmentalist, a leader in the war on drugs, and a key member of my team in the U.S. Senate. And believe me, we'll miss Senator Wilson. But come to think of it, I really like the sound of Governor Pete Wilson.\\\

Pete will be leading a solid team of GOP candidates for state office to victory. With him, they'll be the ones to keep taxes low, the environment clean and the economy going strong.

People say I'm a cautious guy. I can't understand that. \\\ Well, I'm going to go out on a limb tonight and make a prediction: **1990 will be a great year for the Golden State because Pete Wilson will be your next governor.**

In the tradition of Ronald Reagan and George Deukmejian, let's keep California great. And keep it Republican. ///

Thank you, God bless you, and God bless America.

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RESPONSE: *2/1 pm OK w/ note on page 1.*
JW

90 FEB 2 10:59

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

1990 JAN 32 PM 2:26

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*Add more
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