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

OA/ID Number: 13523
Folder ID Number: 13523-018

Folder Title:
National Association of Manufacturers (NAM) 3/15/90 [OA 47 27] [2]

Stack:

G

Row:

26

Section:

16

Shelf:

2

Position:

1

WHITE HOUSE STAFFING MEMORANDUM

DATE: 03/09/90ACTION/CONCURRENCE/COMMENT DUE BY: 4:00 p.m. Monday 03/12SUBJECT: PRESIDENTIAL REMARKS: National Association of Manufacturers
(03/09 Draft one)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☒	<u>MCCLURE</u>	☒	☐
SUNUNU	☐	☒	NEWMAN	☐	☐
<u>SCOWCROFT</u>	☒	☐	<u>PORTER</u>	☒	☐
<u>DARMAN</u>	☒	☐	<u>ROGICH</u>	☒	☐
<u>BATES</u>	☒	☐	UNTERMAYER	☐	☐
CARD	☐	☒	ROGERS	☐	☒
<u>CICCONI</u>	☐	☒	WINSTON	☐	☒
DEMAREST	☒	☐	<u>PINKERTON</u>	☒	☐
FITZWATER	☐	☒	<u>BOSKIN</u>	☒	☐
<u>GRAY 2896 N/C</u>	☒	☐		☐	☐
HAGIN	☐	☐		☐	☐

REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by 4:00 p.m. on Monday, 03/12, with a copy to my office. Thanks.

RESPONSE:

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

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

least
care, clean
in (Grady insert)

McNally/Simon
March 9, 1990
Draft One (B:NAM)

Ballinger
award

1990 MAR -9 PM 5:22
PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
THURSDAY, MARCH 15, 1990, 10:30 A.M.

Thank you, Dan [KRUMM, N.A.M. CHAIRMAN]. [ACKNOWLEDGEMENTS]

I told Barbara I'd be spending some time with people who have risen to the top of the financial world by controlling the disbursement of billions of dollars. She said: "You're addressing the baseball lawyers?" \\\

Baseball's "Opening Day" may not be on the calendar yet. But the truth is, the calendar offers each of us many "opening days" -- convenient launch points for a fresh start. Sometimes it is a new day, a new year. Now, it's a new decade -- a decade born amid shouts of joy and triumph, a decade full of hope, barrelling with confidence towards a new century and a new era.

The roll call is exciting, exhilarating, accelerating. We call it the "Revolution of '89," but in Poland, it took about 10 years. Then in Hungary, about 10 months. East Germany, 10 weeks. Czechoslovakia, 10 days. And Bulgaria and Romania right behind.

Six nations in six months. And from six different tongues we heard the same one word -- FREEDOM.

Take that word "FREEDOM" sometime, pick it up out of the newsprint and turn it over. And look on the back. More often than not, you'll find the same proud label that adorns the products you produce: "MADE IN THE U.S.A."

Eight years ago, Ronald Reagan stood before this very group and issued a bold and simple challenge. He said: "America can serve as the catalyst for an era of unimagined human freedom and dignity." \\\ And the cry of that great President became the "shout heard 'round the world." \\\

rewrote < America believed it. \ \ And America did it. \ \ \

Back here, especially in Washington, there may be hand-*rewrote*
wringers and doubters.]

Maybe in Washington. But not in Warsaw. Asked if Radio Free Europe had been important to democracy in Poland, Lech Walesa responded with a question of his own: "Would there be Earth without the Sun?"

Maybe in Washington. But not in Wenceslaus Square. Last month Vaclav Havel praised our resolve as "defender[s] of freedom," telling a joint session of Congress that Czechoslovakia probably wouldn't exist today if it hadn't been for the *Atlantic* ~~American~~ alliance.

And no quotes are needed to tell you the role of American persistence and American courage in liberating the peoples of Panama and Nicaragua. \ \ \ \

Yes, these are heady times. But the good news isn't only overseas. Because the Revolution of '89 marks the triumph not only of free ideas -- but also free markets.

And when it comes to free markets, America continues to lead the way. \ \ \

Here again, there are hand-wringers and doubters. So let me speak as plainly as I can.

The U.S. economy is the largest, strongest, most productive economy on Earth. With less than five percent of the world's people, in 1988 Americans accounted for more than 25 percent of the world's production. Our G.N.P. is more than two and a half times that of the world's No. 2 economy -- Japan.

And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called "productivity." And it's spelled "U-S-A." \\\

Thanks in no small part to the commitment and imagination of the people and companies represented here in this room, last year American exports of goods and services hit an all-time high -- ^{over} ~~almost~~ \$600 billion.

((And you know what a ~~billion~~ is -- the number of dis-
continued food products that were once made with oat bran))

Today, the United States is once again the world's No. 1 exporter. For our families, for our children, that ~~means~~ ^{helps keep} America's standard of living ~~is~~ ^{away} far and above the highest of any major industrialized country in the world. One-third higher than that of West Germany or Japan.

1989 marked our seventh consecutive year of economic growth. ^{Today, we see} G.N.P. -- up. Exports -- up. Personal income -- up. ~~The~~ [✓] ~~savings rate -- up.~~

Now, some would say that every economy has its ups and downs. But take a look at what's down:

(context) 4
The trade deficit is down. The federal deficit -- down. 85
The prime rate -- down. Mortgage rates -- down. And ~~the~~
unemployment ^{rate} -- down -- the lowest ~~level~~ since 1973.

But we're not just talking about statistics and numbers. As
Dick Darman recently reminded me: "Torture numbers -- and
they'll confess to anything." \\\

✓ You who run the factories, you who sign the paychecks, you
know what it means to have created two and a half million jobs
since I took office one year ago. ~~It means two and a half~~
million American families. It means two and a half million
American futures.

see Porter
Pink lang.
Our people and our economy are strong. And so is our
resolve. In the midst of these dramatic times -- in the midst of
this unprecedented peacetime expansion -- we may pause from time
to time to catch our breath. But that doesn't mean we've
faltered. And it sure doesn't mean there's a recession ahead.

That said, my Administration is pressing forward with our
plan to keep America competitive, and to keep America's economy
second to none.

We begin with the first rule of business -- the first rule
of life. "Always do what you say you're going to do." And for
me that means just three simple words: "NO NEW TAXES." \\\

Actually, that pledge caused a bit of panic when I first
uttered it at the Convention. Bob Mosbacher and Jim Baker
thought I said: "No new TEXANS!" \\\

more of
5
Treas. insert complete - (in essence)

Second, we need to bring America's investment capital back into the productive economy. It's time for Congress to pass the capital gains tax cut. \\\

America wants it done right. \\\ America wants it done responsibly. \\\ And America wants it done NOW. \\\

Along with this infusion of new capital, America needs a booster shot of new ideas. Matching investment capital with intellectual capital. And I'm calling on Congress to help sharpen America's competitive edge by acting on our new proposals. Doubling the budget of the National Science Foundation. ~~A record-high funding increase~~ *RD* for Research and Development. Making the Research and Experimentation tax credit permanent. A 70 percent expansion of the Eisenhower education grants for math and science.

And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to 90 percent. Re-establishing standards -- the kind of "quality control" so essential to everything America produces. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

at least
DS

insert on Baldrige awards, inc. comp. for quality

For the insert - shortened - no ref. to Ritter, careful on co's, Baldrige award

We need a literate workforce -- and salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers. And last -- but ~~maybe~~ most important -- we need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. And one way to stop drugs in the workplace is to make sure they never start. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one. I call for Congress to act immediately to make the ^{U.S.} marketplace work better -- through meaningful reform of product liability laws and anti-trust reform to allow joint production ventures by U.S. companies. \\\

to increase U.S. competitiveness without compromising safety!

But of course, not all our burdens are self-inflicted. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese market. Today ^{Secretary of Commerce} Bob Mosbacher is in Tokyo, pressing hard on our behalf. We must and will move aggressively to ^{open markets and} expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

U.S. markets which must be addressed.

(wrong word - check original)

NW
301
ref.
Electronics
spec.

of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and just like in the Olympics -- we'll always bring home our share of gold. \\\

As in Berlin, barriers are coming down all over the world. That is today's trend. And that is history's verdict.

And it is no time to turn our backs on the newly prosperous overseas markets that American courage and imagination helped produce. It took years of persistence, but American ideas were accepted, finally, because they work, because they are the best. It can be the same for American goods.

In 1986, on the eve of July 4th, a single blue laser split the darkness over New York harbor -- a man-made lightning bolt that re-lit the torch of a re-born Statue of Liberty. The torch has been held high ever since. And today that light continues to inspire hope from Panama to Prague, ~~from Krakow to Kabul~~, and ~~yes~~, from Moscow to Managua...

Overseas America is at peace. At home, American ~~is~~ is confident. And somehow, a recent bit of news seems fitting. Because today 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 for your warm greeting. God bless you. And God bless the U.S.A.

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Ext. 2702

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trite phrase
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great
joke! can't
use.

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Our people and our economy are strong. And so is our resolve. In the midst of these dramatic times -- in the midst of this unprecedented peacetime expansion -- we may pause from time to time to catch our breath. But that doesn't mean we've faltered. And it sure doesn't mean there's a recession ahead.

That said, my Administration is pressing forward with our plan to keep America competitive, and to keep America's economy second to none.

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#

Mac Baldridge award
Ford completed



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, which appears to read "David J. Haun". The signature is fluid and cursive.

David J. Haun
Executive Assistant
to the Director

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You who run the factories, you who sign the paychecks, you know what it means to have created ^{more than} two and a half million jobs ^(2.8 1989- Jan Feb 1990) since I took office one year ago. It means two and a half million American families. It means two and a half million American futures. ^{Jim Morrison}

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Not in manufacturing. The Manufacturing employment is down slightly since Bush took office. Suggest make it read: This vast economy has created two and a half million jobs since I took office one year ago. That means...

Dale
+ 3080

Second, we need to bring America's investment capital back into the productive economy. It's time for Congress to pass the capital gains tax cut. \\\

America wants it done right. \\\ America wants it done responsibly. \\\ And America wants it done NOW. \\\\

Along with this infusion of new capital, America needs a booster shot of new ideas. Matching investment capital with intellectual capital. And I'm calling on Congress to help sharpen America's competitive edge by acting on our new proposals. Doubling the budget of the National Science Foundation. A record-high funding ~~increase~~ for Research and Development. Making the Research and Experimentation tax credit permanent. A 70 percent expansion of the Eisenhower education grants for math and science.

And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through good preschool programs like Project Head Start ^{and others.} Raising our high school graduation rates to 90 percent. Re-establishing standards -- the kind of "quality control" so essential to everything America produces. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

H.R. 5178
x

We need a literate workforce -- and salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers. And last -- but maybe most important -- we need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. And one way to stop drugs in the workplace is to make sure they never start. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one. I call for Congress to act immediately to make the marketplace work better -- through meaningful reform of product liability laws and anti-trust reform to allow joint production ventures by U.S. companies. \\\

But of course, not all our burdens are self-inflicted. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese market. Today Bob Mosbacher is in Tokyo, pressing hard on our behalf. We must and will move aggressively to expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

*see insert
next page
Grady
4/8/84*

Proposed Clean Air Insert = p. 6.

N.A.M. Speech.

I am convinced that America's growth need not come at the expense of the environment. Our natural resources are invaluable assets -- and like any other assets, they need to be maintained in order to ^{sustain} ~~be used~~ our ability to grow. For 13 years, Congress has been unable to pass a new Clean Air Act. Two weeks ago, we reached a breakthrough -- a bi-partisan agreement reached with my Administration to ^{untangle the web of} ~~break through the~~ regional politics that ^{has} ~~have~~ stopped Clean Air. I compliment the Senate leaders, Senator ~~Mitchell~~ Dole and particularly Senator Mitchell, for leading ~~the~~ a very constructive negotiation. And I call upon the Senate, when it returns from the recess, to pass Clean Air, to stand by the agreement, and to protect our environment without saddling the bill with new subsidies and cumbersome rules.

of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and just like in the Olympics -- we'll always bring home our share of gold. \\\

As in Berlin, barriers are coming down all over the world. That is today's trend. And that is history's verdict.

And it is no time to turn our backs on the newly prosperous overseas markets that American courage and imagination helped produce. It took years of persistence, but American ideas were accepted, finally, because they work, because they are the best. It can be the same for American goods.

In 1986, on the eve of July 4th, a single blue laser split the darkness over New York harbor -- a man-made lightning bolt that re-lit the torch of a re-born Statue of Liberty. The torch has been held high ever since. And today that light continues to inspire hope from Panama to Prague, from Krakow to Kabul, and yes, from Moscow to Managua...

Overseas America is at peace. At home American is confident. And somehow, a recent bit of news seems fitting. Because today 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 for your warm greeting. God bless you. And God bless the U.S.A.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 03/09/90

90 MAR 12 P4:59

ACTION/CONCURRENCE/COMMENT DUE BY: 4:00 p.m. Monday 03/12SUBJECT: PRESIDENTIAL REMARKS: National Association of Manufacturers
(03/09 Draft one)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☒	MCCLURE	☒	☐
SUNUNU	☐	☒	NEWMAN	☐	☐
SCOWCROFT	☒	☐	PORTER	☒	☐
DARMAN	☒	☐	ROGICH	☒	☐
BATES	☒	☐	UNTERMAYER	☐	☐
CARD	☐	☒	ROGERS	☐	☒
CICCONI	☐	☒	WINSTON	☐	☒
DEMAREST	☒	☐	PINKERTON	☒	☐
FITZWATER	☐	☒	BOSKIN	☒	☐
GRAY	☒	☐		☐	☐
HAGIN	☐	☐		☐	☐

REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by 4:00 p.m. on Monday, 03/12, with a copy to my office. Thanks.

RESPONSE:

General: ① One of the continuing concerns of the NAM + its constituent members is the stranding cost of health care. (see attached article). I think a sentence or 2 acknowledging this + the DPC review announced in the State of the Union address is appropriate. (Steve Denzansky, Cabinet Affairs)

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

- ② If health care language is added, please notify DPC of it before sending to the President. (Cabinet Affairs-DPC)
- ③ Malcolm Baldrige award - ideal audience. →

(4)

~~My address is~~
~~1234 Main St~~
~~Spring~~

Maybe a little too upset of a speech for the audience
tone it down to be less
Make more similar to AET (Electronics)
Speech last week. (commence)



82:49 5122:01

McNally/Simon
March 9, 1990
Draft One (B:NAM)

1990 MAR 9 PM 5:22
PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
THURSDAY, MARCH 15, 1990, 10:30 A.M.

Thank you, Dan [KRUMM, N.A.M. CHAIRMAN]. [ACKNOWLEDGEMENTS]

I told Barbara I'd be spending some time with people who have risen to the top of the financial world by controlling the disbursement of billions of dollars. She said: "You're addressing the baseball lawyers?" \\\

Baseball's "Opening Day" may not be on the calendar yet. But the truth is, the calendar offers each of us many "opening days" -- convenient launch points for a fresh start. Sometimes it is a new day, a new year. Now, it's a new decade -- a decade born amid shouts of joy and triumph, a decade full of hope, barrelling with confidence towards a new century and a new era.

The roll call is exciting, exhilarating, accelerating. We call it the "Revolution of '89," but in Poland, it took about 10 years. Then in Hungary, about 10 months. East Germany, 10 weeks. Czechoslovakia, 10 days. ~~And Bulgaria and Romania right behind.~~ *and Bulgaria.* ↓ 10 minutes (Treasury)

Six nations in six months. And from six different tongues we heard the same one word -- FREEDOM.

Take that word "FREEDOM" sometime, pick it up out of the newsprint and turn it over. And look on the back. More often than not, you'll find the same proud label that adorns the products you produce: **"MADE IN THE U.S.A."**

Eight years ago, Ronald Reagan stood before this very group and issued a bold and simple challenge. He said: "America can serve as the catalyst for an era of unimagined human freedom and dignity." \\\ And the cry of that great President became the "shout heard 'round the world." \\\

America believed it. \ \ And America did it. \ \ \

Back here, especially in Washington, there may be hand-wringers and doubters.

Maybe in Washington. But not in Warsaw. Asked if Radio Free Europe had been important to democracy in Poland, Lech Walesa responded with a question of his own: "Would there be Earth without the Sun?"

Maybe in Washington. But not in Wenceslaus Square. Last month Vaclav Havel praised our resolve as "defender[s] of freedom," telling a joint session of Congress that Czechoslovakia probably wouldn't exist today if it hadn't been for the American alliance.

And no quotes are needed to tell you the role of American persistence and American courage in liberating the peoples of Panama and Nicaragua. \ \ \ \

Yes, these are heady times. But the good news isn't only overseas. Because the Revolution of '89 marks the triumph not only of free ideas -- but also free markets.

And when it comes to free markets, America continues to lead the way. \ \ \

Here again, there are hand-wringers and doubters. So let me speak as plainly as I can.

The U.S. economy is the largest, strongest, most productive economy on Earth. With less than five percent of the world's people, in 1988 Americans accounted for more than 25 percent of the world's production. Our G.N.P. is more than two and a half times that of the world's No. 2 economy -- Japan.

And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called "productivity." And it's spelled "U-S-A." \\\

Thanks in no small part to the commitment and imagination of the people and companies represented here in this room, last year American exports of goods and services hit an all-time high -- almost \$600 billion.

((And you know what a billion is -- the number of discontinued food products that were once made with oat bran.)

Today, the United States is once again the world's No. 1 exporter. For our families, for our children, that helps to keep that means America's standard of living is far a major industrialized country in the world that of West Germany or Japan.

1989 marked our seventh consecutive G.N.P. -- up. Exports -- up. Personal savings rate -- up.

Now, some would say that every economy has its ups and downs. But take a look at what's down:

(Treasury)
and gross Nat'l Savings rate is not up + that statement reflects it is. (Treasury)

↑
suggested
edit
- Mully

How is this measured?
what does exports have to do with this (Treasury)

of any
her than
growth.

This suggests that the savings rate is up for the 7th consecutive year. = not true, it's only been the last year.

(Treasury & Commerce)

over

inappropriate for Potus speech (Treasury)

The trade deficit is down. The federal deficit -- down.
The prime rate -- down. Mortgage rates -- down. And
unemployment -- down -- the lowest level since 1973.

But we're not just talking about statistics and numbers. As ^{Treasury says unempl is edging up - so are mortgage rates. (Treasury)}
Dick Darman recently reminded me: "Torture numbers -- and
they'll confess to anything." \\\

You who run the factories, you who sign the paychecks, you
know what it means to have created two and a half million jobs
since I took office one year ago. It means two and a half
million American families. It means two and a half million
American futures.

Our people and our economy a ^{a job is not interchangeable w/ a family. (Treasury)} And so is our
resolve. In the midst of these d ^{record} the midst of ^{Since 1973 for all the mentioned items.}
this unprecedented peacetime expan ^{↑ You're got to be kidding!} se from time
to time to catch our breath. But we've
faltered. And it sure doesn't me on ahead.

That said, my Administration is pressing forward with our
keep America competitive, and to keep America's economy
none.
gin with the first rule of business -- the first rule
"Always do what you say you're going to do." And for
me that means just three simple words: "NO NEW TAXES." \\\

Actually, that pledge caused a bit of panic when I first
uttered it at the Convention. Bob Mosbacher and Jim Baker
thought I said: "No new TEXANS!" \\\

Is it
unprecedented?
What about
the 60's?
(Treasury)

We were at
war in the 60's.
- Mulvey

(Treasury)

Second, we need to ^{encourage long-term in our} ~~bring America's investment capital back~~ ^{as Nick Brady has urged.*} into the productive economy. ~~It's time for Congress to pass the~~ capital gains tax cut. \\\ and a family savings account.

> what
is the
investment
capital
figure?

America wants it done right. \\\ responsibly. \\\ And America wants it

Way to kill
an applause
line! (and credit
their boss, instead
of POTUS...)

state a
there?
(Treasury)

Along with this infusion of new capital, a booster shot of new ideas. Matching investment in intellectual capital. And I'm calling on you to sharpen America's competitive edge by acting on our new proposals. Doubling the budget of the National Science Foundation. A record-high funding increase for Research and Development. Making the Research and Experimentation tax credit permanent. A 70 percent expansion of the Eisenhower education grants for math and science.

And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to 90 percent. Re-establishing standards -- the kind of "quality control" so essential to everything America produces. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

(Treasury)
Insert: * Lowering the cost of capital in America would assure the continued ~~and~~ investment in physical assets & human resources needed to keep our manufacturing sector the most competitive in the world. Virtually none of our competitor fully taxes capital gains; why should we be different? We can't produce the products needed to capture world markets by focusing on results →

one quarter at a time. We need to return to the
longer-term thinking, that ^{produced all our ~~present~~} ~~"~~present~~"~~

"investment in ^{the} future," years ago which we are enjoying the fruits
of today.

return back to the 2nd sentence of that A.
"It's time for Congress to pass"

We need a literate workforce -- and salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers. And last -- but ~~maybe~~ most important -- we need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. And one way to stop drugs in the workplace is to make sure they never start. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

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But of course, not all our burdens are self-inflicted. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments

Initiative" to break down non-tariff barriers to the Japanese market. Today Bob Mosbacher is in Tokyo, pressing hard on our behalf. We must and will move aggressively to expand our share ^{open markets +} ~~of world trade~~. \\\ ^{exports not only to Japan but to rest of world as well. (commerce)}

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

(LSTR)
also ~~mentioned~~
mention
Super 301
in this
context?
Chriss W.
has language
for that
from previous
mention in Potus speeches.

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

Thank you for your warm greeting. God bless you. And God bless the U.S.A.

Handwritten notes:
 "Keep the issues in front of the President" ~~Someone from the D.C.~~
 "would like to see before it goes to the President"

Quality Control for Health Care



JERRY J. JASINOWSKI

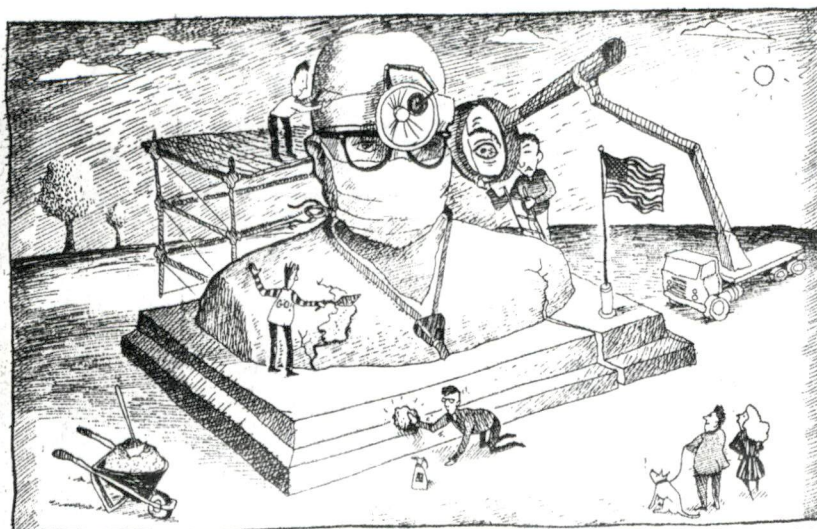
A painful back injury recently sent me to top medical specialists in Washington and New York. One doctor rated the injury an 8 on a scale of 1 to 10 and recommended immediate surgery. The other rated it a 2 and suggested plenty of rest and physical therapy. I opted for the latter and am in fine physical shape today.

But this mind-boggling experience — and near brush with the surgeon's knife — underscored more than statistics ever could the appalling quality deficiencies in our health care system.

Had I elected surgery, I unwittingly would have added to the alarming number of unnecessary surgical and medical procedures in this country: up to 34 percent of those performed each year, according to the Rand Corporation and other researchers. Rand says nearly \$50 billion is wasted annually on such unneeded services. I'd bet the figure is substantially more than that.

Consider that more than a third of the nation's hospitals fail to meet standards designed to guard against inappropriate surgery, unnecessary blood transfusions and poorly coordinated treatment of patients in special coronary and intensive-care units, according to the Joint Commission on Ac-

Jerry J. Jasinowski is president of the National Association of Manufacturers.



Drawings by John Dykes

creditation of Health Care Organizations.

Consider that residents of New Haven are about twice as likely to undergo a bypass operation for coronary artery disease as their counterparts in Boston, who tend to be treated by other means. How does one explain such enormous treatment inconsistencies between two renowned medical centers whose residents are remarkably similar in demographic characteristics?

ONE reads and hears very little about these shocking quality shortfalls.

An important lesson for health care organizations can be learned from the resurgence of manufacturing in the past decade. The all-out campaign for quality that helped American manufacturers jump back into the competitive fray

Employers must demand efficiency from suppliers and education for users.

must now be extended to health care.

While quality is an ambiguous concept, the focus should be on how to increase the value of health care products and services without raising the costs. Operationally, that means getting the waste out of the system by striving for more appropriate and efficient care.

Quality care, for example, means setting up a system to evaluate medical technologies and services, and establishing guidelines to improve treatment and limit unnecessary procedures. It means reforming our medical liability system to curb defensive medical practices, like redundant consultations and diagnostic tests used by physicians to protect themselves from lawsuits.

Quality care also means providing consumers with the information they need to make intelligent buying decisions. The regrettable truth is we often know more about the televisions and cars we buy than about the medical care we choose. One way to foster better choices on our part is to make publicly available data on hospitals and physicians a state requirement, as is the case in Pennsylvania, Iowa and Colorado. The Hershey Foods Corporation, instrumental in getting the Pennsylvania law enacted, is convinced that it is the most powerful tool they have to boost health care quality and lower costs.

QUALITY care similarly means giving the medical payment system a shot of quality control. Consumers still pay a relatively small share of the cost of services, giving them little incentive to use those services judiciously. Employers can play an important educational role, emphasizing to workers the individual responsibility for one's own health and placing greater emphasis on preventive health care.

Companies can take other specific steps to improve the quality of health care for their employees. They can, like Honeywell Inc., negotiate cost-saving deals with medical facilities with proven track records — "centers of excellence" — for high-intensity, low-frequency procedures. They can directly contract with multi-specialty clinics that select and hire physicians based on rigid criteria and that perform ongoing quality-improvement programs.

Or, like Allied-Signal Inc., they can give employees financial incentives to use general care physicians selected by the company who have agreed to serve patients for a negotiated fee. Employees who go outside the physician network are required to pay very high deductibles.

The basic objective of quality improvements is doing the job right the first time. Companies should insist on this throughout the process — from informing the consumer, to consulting with physicians, to demanding greater hospital efficiency.

East European Workers Will Need Incentives

By LEE SMITH
and LEWIS KADEN

MANY people think that laissez-faire capitalism will be a workable model for the redevelopment of the socialist economies of the Soviet Union and Eastern Europe. Western advisers have consistently pushed for the creation of markets, free pricing and currency systems and an economy built on private enterprises. But the rush to markets, and the willingness to create economic insecurity, clearly carries with it a substantial risk of political turmoil.

A safer path for Eastern Europe would lead to mixed economies that combine entrepreneurial qualities and efficiency with concern for economic security and equity.

There is much America can do to nurture the development of more effective enterprises. Joint ventures would bring managerial skills to underdeveloped Eastern European companies. In addition, the United States should encourage employee ownership and participation in enterprises in Eastern Europe. America is the world's leader in the legal, financial and organizational techniques needed to provide workers with equity in the enterprises in which they work.

When properly structured and operated, the company with employee ownership, especially when combined with employee participation, offers the incentives needed to create higher productivity, wages and profits; just what state-owned enterprises need to combat their inertia, low morale, low productivity and lack of research and development.

Lee Smith was director of the Cuomo Commission on Competitiveness. Lewis Kaden is a partner in the law firm of Davis, Polk & Wardell.

In practical terms, the first step on the road to an employee-driven economy is for the governments of these countries to sell off divisions of their huge state-owned enterprises to the people who work in them. The very size of these enterprises has been an impediment to efficiency. The governments could finance the acquisitions by taking a note against the future earnings of the enterprises. The state in its role as a creditor can encourage the employees to put as much of their earnings as possible back into the enterprise.

The United States and Western Europe can encourage this process by making loans available to enterprises willing to undergo this transformation. It would be a mistake to insist that loans only be available to traditionally structured private companies or joint ventures with Western companies.

A mixed economy with a large number of employee-owned enterprises has economic and political benefits. Workers with a right to share in the wealth of an enterprise and a voice in the company have incentives to create wealth and can internalize a sense of responsibility, individual and collective.

Individual responsibility is fundamental to economic efficiency. And a sense of collective responsibility is needed to bridge the gulf between the individual's interests and society's needs. Fostering both values is important because the political and economic success of these societies will depend on how well their politics and their economics balance the rights of the individual and needs of the nation.

The irony is that if America wants to see state socialism transformed into a system that has a key feature of capitalism — the market — it will have to advocate one of the key concepts of the theory of socialism — worker ownership of the means of production.

Unions Should Stick to the Basics

THE WHITE HOUSE

WASHINGTON

March 12, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks: National Association of
Manufacturers

I recommend modifying the transition from the discussion of U.S. economic strengths to the discussion of proposals to ensure competitiveness. The suggested modification, which would put more emphasis on the challenges to be faced in the international environment of the future, is as follows:

Replacement for paragraphs 4 and 5 on page 4

Our people and our economy are strong. And so is our resolve. Our strength and our resolve will be tested in the world economy of the future, as we start to feel the impact of the dramatic changes we are now witnessing. We must prepare now to meet the challenges that we surely will face in world markets. My Administration is pressing forward with our plan to keep America competitive, and to keep America's economy second to none.

I also believe that a discussion of the quality issue would fit well into the speech. Attached is a suggested insert, with additional language shown in **boldface**.

Attachment

60 MAR 13 4:46

DRAFT INSERT FOR N.A.M. SPEECH

"And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

"We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to 90 percent. Re-establishing standards -- the kind of "quality control" so essential ~~to everything America produces~~. And in science and math our goal is unambiguous -- first in the world by the Year 2000. Re-establishing high expectations -- the kind of "quality control" so essential to everything America produces.

"Quality is something you understand. Quality in manufacturing and quality in education are intertwined. In whatever endeavor, the approach to quality is always a question of focusing on effort -- on results -- because, as Ruskin said, "There is nothing accidental about quality."

"And so I applaud the efforts of those like Rep. Don Ritter who have helped to start a quality revolution in this country. And companies like Motorola, Ford, Westinghouse and Xerox built success stories around the idea of quality. Motorola even made a pager that was of such high quality, the Japanese phone company had to buy it. And I applaud the nation's governors, who have joined me in establishing the quality goals I've just mentioned for the nation's schoolkids.

"These goals are an important step toward quality in education because they help focus our efforts -- focus our efforts less on inputs: such as how much money we are putting into schools, and more on output: how well-educated are the students who come out of those schools.

"Because you would never measure your success as a manufacturer by how much money you could spend on the manufacturing process. You might need to spend more -- then again, you might need to cut costs. But in either case you would do well to measure the quality of your product, to watch what comes out of the plant.

###

WHITE HOUSE STAFFING MEMORANDUM

DATE: 03/09/90 ACTION/CONCURRENCE/COMMENT DUE BY: 4:00 p.m. Monday 03/12

SUBJECT: PRESIDENTIAL REMARKS: National Association of Manufacturers
(03/09 Draft one)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☒	MCCLURE	☒	☐
SUNUNU	☐	☒	NEWMAN	☐	☐
SCOWCROFT	☒	☐	PORTER	☒	☐
DARMAN	☒	☐	ROGICH	☒	☐
BATES	☒	☐	UNTERMAYER	☐	☐
CARD	☐	☒	ROGERS	☐	☒
CICCONI	☐	☒	WINSTON	☐	☒
DEMAREST	☒	☐	PINKERTON	☒	☐
FITZWATER	☐	☒	BOSKIN	☒	☐
GRAY	☒	☐		☐	☐
HAGIN	☐	☐		☐	☐

REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by 4:00 p.m. on Monday, 03/12, with a copy to my office. Thanks.

RESPONSE:

Please see comments, pp. 3, 6.
 We would also suggest that consideration be given to mentioning the environment, especially clean air. This is a critical week for our clean air legislative efforts.
 3/12/90

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

McNally/Simon
March 9, 1990
Draft One (B:NAM)

1990 MAR -9 PM 5:22
PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
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Yes, these are heady times. But the good news isn't only overseas. Because the Revolution of '89 marks the triumph not only of free ideas -- but also free markets.

And when it comes to free markets, America continues to lead the way. \ \ \

Here again, there are hand-wringers and doubters. So let me speak as plainly as I can.

The U.S. economy is the largest, strongest, most productive economy on Earth. With less than five percent of the world's people, in 1988 Americans accounted for more than 25 percent of the world's production. Our G.N.P. is more than two and a half times that of the world's No. 2 economy -- Japan.

And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called "productivity." And it's spelled "U-S-A." \\\

Thanks in no small part to the commitment and imagination of the people and companies represented here in this room, last year American exports of goods and services hit an all-time high -- almost \$600 billion.

((And you know what a billion is -- the number of dis-
continued food products that were once made with oat bran.)

Today, the United States is once again the world's No. 1 exporter. For our families, for our children, that means America's standard of living is far and above the highest of any major industrialized country in the world. One-third higher than that of West Germany or Japan.

1989 marked our seventh consecutive year of economic growth. G.N.P. -- up. Exports -- up. Personal income -- up. The savings rate -- up.

Now, some would say that every economy has its ups and downs. But take a look at what's down:

The trade deficit is down. The federal deficit -- down. The prime rate -- down. Mortgage rates -- down. And unemployment -- down -- the lowest level since 1973.

But we're not just talking about statistics and numbers. As Dick Darman recently reminded me: "Torture numbers -- and they'll confess to anything." \\\

You who run the factories, you who sign the paychecks, you know what it means to have created two and a half million jobs since I took office one year ago. It means two and a half million American families. It means two and a half million American futures.

Our people and our economy are strong. And so is our resolve. In the midst of these dramatic times -- in the midst of this unprecedented peacetime expansion -- we may pause from time to time to catch our breath. But that doesn't mean we've faltered. And it sure doesn't mean there's a recession ahead.

That said, my Administration is pressing forward with our plan to keep America competitive, and to keep America's economy second to none.

We begin with the first rule of business -- the first rule of life. "Always do what you say you're going to do." And for me that means just three simple words: "NO NEW TAXES." \\\

Actually, that pledge caused a bit of panic when I first uttered it at the Convention. Bob Mosbacher and Jim Baker thought I said: "No new TEXANS!" \\\\

There are also ^{obstacles} ~~obstacles~~ to U.S. exports
which must be addressed. That's ~~is~~ why

6

We need a literate workforce -- and salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers. And last -- but maybe most important -- we need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. And one way to stop drugs in the workplace is to make sure they never start. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one. I call for Congress to ^{en}act ^{reforms} immediately to make the ^{U.S.} marketplace work better -- through meaningful reform of product liability laws and anti-trust reform to allow joint production ventures by U.S. companies. \\\

But of course, not all our burdens are self-inflicted. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese market. Today Bob Mosbacher is in Tokyo, pressing hard on our behalf. We must and will move aggressively to expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

And through product liability reform...
that will increase U.S. competitiveness without compromising safety...

Should not be thrown in without a
separate sentence or two. (see below)

of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and just like in the Olympics -- we'll always bring home our share of gold. \\\

As in Berlin, barriers are coming down all over the world. That is today's trend. And that is history's verdict.

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

Thank you for your warm greeting. God bless you. And God bless the U.S.A.

#

THE WHITE HOUSE

WASHINGTON

90 MAR 12 P3:45



March 12, 1990

MEMORANDUM FOR CHRISS WINSTON
DEPUTY ASSISTANT TO THE PRESIDENT
FOR COMMUNICATIONS

FROM: NELSON LUND 
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Draft Presidential Remarks: National Association
of Manufacturers

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

We appreciate having had the opportunity to review these remarks.

cc: James W. Cicconi

WHITE HOUSE STAFFING MEMORANDUM

1910

DATE: 03/09/90

ACTION/CONCURRENCE/COMMENT DUE BY: 00 APR 12 4:58 4:00 p.m. Monday 03/12

SUBJECT: PRESIDENTIAL REMARKS: National Association of Manufacturers
(03/09 Draft one)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☒	MCCLURE	☒	☐
SUNUNU	☐	☒	NEWMAN	☐	☐
SCOWCROFT	☒	☐	PORTER	☒	☐
DARMAN	☒	☐	ROGICH	☒	☐
BATES	☒	☐	UNTERMAYER	☐	☐
CARD	☐	☒	ROGERS	☐	☒
CICCONI	☐	☒	WINSTON	☐	☒
DEMAREST	☒	☐	PINKERTON	☒	☐
FITZWATER	☐	☒	BOSKIN	☒	☐
GRAY	☒	☐		☐	☐
HAGIN	☐	☐		☐	☐

REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by 4:00 p.m. on Monday, 03/12, with a copy to my office. Thanks.

RESPONSE:

March 12, 1990

TO: CHRISS WINSTON

NSC clears, with suggestions as marked.

Brent Scowcroft
Brent Scowcroft

cc: James W. Cicconi

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

McNally/Simon
March 9, 1990
Draft One (B:NAM)

1990 MAR -9 PM 5:22
PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
THURSDAY, MARCH 15, 1990, 10:30 A.M.

Thank you, Dan [KRUMM, N.A.M. CHAIRMAN]. [ACKNOWLEDGEMENTS]

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The roll call is exciting, exhilarating, accelerating. We call it the "Revolution of '89," but in Poland, it took about 10 years. Then in Hungary, about 10 months. East Germany, 10 weeks. Czechoslovakia, 10 days. And Bulgaria and Romania right behind.

Six nations in six months. And from six different tongues we heard the same one word -- FREEDOM.

[Take that word "FREEDOM" sometime, pick it up out of the newsprint and turn it over. And look on the back. More often than not, you'll find the same proud label that adorns the products you produce: "MADE IN THE U.S.A."]

No
Our
politics
helped
but this
is much too
strong.
Tone it down

Eight years ago, Ronald Reagan stood before this very group and issued a bold and simple challenge. He said: "America can serve as the catalyst for an era of unimagined human freedom and dignity." \\\ And the cry of that great President became the "shout heard 'round the world." \\\

~~America believed it. \ And America did it. \\\~~

Back here, especially in Washington, there ^{were some} ~~may be~~ hand-wringers and doubters.

Maybe in Washington. But not in Warsaw. Asked if Radio Free Europe had been important to democracy in Poland, Lech Walesa responded with a question of his own: "Would there be Earth without the Sun?"

Maybe in Washington. But not in Wenceslaus Square ^{in Prague.} Last month Vaclav Havel praised our resolve as "defender[s] of freedom," telling a joint session of Congress that Czechoslovakia probably wouldn't exist today if it hadn't been for the ^{Atlantic} ~~American~~ alliance. ✓ X

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Peoples
of these
countries
"did it"

Plays into
the hands of
NATO's
enemies
now, if
we call it the
"American
alliance"

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Now, some would say that every economy has its ups and downs. But take a look at what's down:

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The prime rate -- down. Mortgage rates -- down. And

unemployment -- down -- the lowest level since 1973. *Of course, we must do more to bring them down further.*

But we're not just talking about statistics and numbers. As

Dick Darman recently reminded me: "Torture numbers -- and they'll confess to anything." \\\

President should acknowledge this:
Some 2-wageear families
You who run the factories, you who sign the paychecks, you know what it means to have created two and a half million jobs since I took office one year ago. [It means two and a half million American families.] It means two and a half million American futures.

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We begin with the first rule of business -- the first rule of life. "Always do what you say you're going to do." And for me that means just three simple words: "NO NEW TAXES." \\\

Actually, that pledge caused a bit of panic when I first uttered it at the Convention. Bob Mosbacher and Jim Baker thought I said: "No new TEXANS!" \\\\

Second, we need to bring America's investment capital back into the productive economy. It's time for Congress to pass the capital gains tax cut. \\\

America wants it done right. \\\ America wants it done responsibly. \\\ And America wants it done NOW. \\\

Along with this infusion of new capital, America needs a booster shot of new ideas. Matching investment capital with intellectual capital. And I'm calling on Congress to help sharpen America's competitive edge by acting on our new proposals. Doubling the budget of the National Science Foundation. A record-high funding increase for Research and Development. Making the Research and Experimentation tax credit permanent. A 70 percent expansion of the Eisenhower education grants for math and science.

And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to 90 percent. Re-establishing standards -- the kind of "quality control" so essential to everything America produces. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

We need a literate workforce -- and salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers. And last -- but maybe most important -- we need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. And one way to stop drugs in the workplace is to make sure they never start. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one. I call for Congress to act immediately to make the marketplace work better -- through meaningful reform of product liability laws and anti-trust reform to allow joint production ventures by U.S. companies. \\\

But of course, not all our burdens are self-inflicted. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese market. Today Bob Mosbacher is in Tokyo, pressing hard on our behalf. We must and will move aggressively to expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and just like in the Olympics -- we'll always bring home our share of gold. \\\

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#

Document No. 121374

Action Peter
cc *MJB*
RJS
JB

WHITE HOUSE STAFFING MEMORANDUM

DATE: 03/09/90

ACTION/CONCURRENCE/COMMENT DUE BY: 4:00 p.m. Monday 03/12

SUBJECT: PRESIDENTIAL REMARKS: National Association of Manufacturers
(03/09 Draft one)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☒	MCCLURE	☒	☐
SUNUNU	☐	☒	NEWMAN	☐	☐
SCOWCROFT	☒	☐	PORTER	☒	☐
DARMAN	☒	☐	ROGICH	☒	☐
BATES	☒	☐	UNTERMAYER	☐	☐
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FITZWATER	☐	☒	BOSKIN	☒	☐
GRAY	☒	☐		☐	☐
HAGIN	☐	☐		☐	☐

REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by 4:00 p.m. on Monday, 03/12, with a copy to my office. Thanks.

RESPONSE:

OK, with changes on p. 3, 6, 7.

Peter Taylor

80 MAR 12 5:03

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

McNally/Simon
March 9, 1990
Draft One (B:NAM)

1990 MAR 9 PM 5:22
PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
THURSDAY, MARCH 15, 1990, 10:30 A.M.

Thank you, Dan [KRUMM, N.A.M. CHAIRMAN]. [ACKNOWLEDGEMENTS]

I told Barbara I'd be spending some time with people who have risen to the top of the financial world by controlling the disbursement of billions of dollars. She said: "You're addressing the baseball lawyers?" \\\

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Take that word "FREEDOM" sometime, pick it up out of the newsprint and turn it over. And look on the back. More often than not, you'll find the same proud label that adorns the products you produce: "MADE IN THE U.S.A."

Eight years ago, Ronald Reagan stood before this very group and issued a bold and simple challenge. He said: "America can serve as the catalyst for an era of unimagined human freedom and dignity." \\\ And the cry of that great President became the "shout heard 'round the world." \\\

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McNally/Simon
March 9, 1990
Draft One (B:NAM)

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And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called "productivity." And it's spelled "U-S-A." \\\

Thanks in no small part to the commitment and imagination of the people and companies represented here in this room, last year American exports of goods and services hit an all-time high -- almost \$600 billion.

((And you know what a billion is -- the number of discontinued food products that were once made with oat bran.)

Today, the United States is once again the world's No. 1 exporter. For our families, for our children, that means America's standard of living is far and above the highest of any major industrialized country in the world. One-third higher than that of West Germany or Japan.

1989 marked our seventh consecutive year of economic growth. G.N.P. -- up. Exports -- up. Personal income -- up. The savings rate -- up.

Now, some would say that every economy has its ups and downs. But take a look at what's down:

The trade deficit is down. The federal deficit -- down. The prime rate -- down. Mortgage rates -- down. And unemployment -- down -- the lowest level since 1973.

But we're not just talking about statistics and numbers. As Dick Darman recently reminded me: "Torture numbers -- and they'll confess to anything." \\\

You who run the factories, you who sign the paychecks, you know what it means to have created two and a half million jobs since I took office one year ago. It means two and a half million American families. It means two and a half million American futures.

Our people and our economy are strong. And so is our resolve. In the midst of these dramatic times -- in the midst of this unprecedented peacetime expansion -- we may pause from time to time to catch our breath. But that doesn't mean we've faltered. And it sure doesn't mean there's a recession ahead.

That said, my Administration is pressing forward with our plan to keep America competitive, and to keep America's economy second to none.

We begin with the first rule of business -- the first rule of life. "Always do what you say you're going to do." And for me that means just three simple words: "NO NEW TAXES." \\\

Actually, that pledge caused a bit of panic when I first uttered it at the Convention. Bob Mosbacher and Jim Baker thought I said: "No new TEXANS!" \\\

Second, we need to bring America's investment capital back into the productive economy. It's time for Congress to pass the capital gains tax cut. \\\

America wants it done right. \\\ America wants it done responsibly. \\\ And America wants it done NOW. \\\\

Along with this infusion of new capital, America needs a booster shot of new ideas. Matching investment capital with intellectual capital. And I'm calling on Congress to help sharpen America's competitive edge by acting on our new proposals. Doubling the budget of the National Science Foundation. A record-high funding increase for Research and Development. Making the Research and Experimentation tax credit permanent. A 70 percent expansion of the Eisenhower education grants for math and science.

And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to 90 percent. Re-establishing standards -- the kind of "quality control" so essential to everything America produces. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

We need a literate workforce -- and salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers. And last -- but maybe most important -- we need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. And one way to stop drugs in the workplace is to make sure they never start. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one. I call for Congress to act immediately to make the marketplace work better -- through meaningful reform of product liability laws and anti-trust reform to allow joint production ventures by U.S. companies. \\\

But of course, not all our burdens are self-inflicted. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese market. Today Bob Mosbacher is in Tokyo, pressing hard on our behalf. We must and will move aggressively to expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and just like in the Olympics -- we'll always bring home our share of gold. \\\

As in Berlin, barriers are coming down all over the world. That is today's trend. And that is history's verdict.

And it is no time to turn our backs on the newly prosperous overseas markets that American courage and imagination helped produce. It took years of persistence, but American ideas were accepted, finally, because they work, because they are the best. It can be the same for American goods.

In 1986, on the eve of July 4th, a single blue laser split the darkness over New York harbor -- a man-made lightning bolt that re-lit the torch of a re-born Statue of Liberty. The torch has been held high ever since. And today that light continues to inspire hope from Panama to Prague, from Krakow to Kabul, and yes, from Moscow to Managua...

Overseas America is at peace. At home American is confident. And somehow, a recent bit of news seems fitting. Because today 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 for your warm greeting. God bless you. And God bless the U.S.A.

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/14/90

ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☒	MCCLURE	☐	☒
SUNUNU	☐	☒	NEWMAN	☐	☐
SCOWCROFT	☐	☒	PORTER	☐	☒
DARMAN	☐	☒	ROGICH	☐	☒
BATES	☐	☒	UNTERMAYER	☐	☐
CARD	☐	☒	ROGERS	☐	☒
CICCONI	☐	☒	WINSTON	☐	☒
DEMAREST	☐	☒	PINKERTON	☐	☒
FITZWATER	☐	☒	BOSKIN	☐	☒
GRAY	☐	☒		☐	☐
HAGIN	☐	☐		☐	☐

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

March 14, 1990

1990 MAR 14 AM 10:56

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON *CW*
FROM: EDWARD McNALLY *EM*
SUBJECT: NATIONAL ASSOCIATION OF MANUFACTURERS SPEECH

I. SUMMARY

Attached are draft remarks for Thursday morning's address to the annual meeting of the National Association of Manufacturers.

II. DISCUSSION

At 10:30 a.m. on Thursday, March 15, 1990, you are scheduled to arrive onstage at the Ramada Renaissance at Techworld in Washington to address approximately 500 executives from manufacturing companies.

The address (16 minutes, TelePrompter) emphasizes the accomplishments and initiatives of your Administration on economic and business issues. It is intended as a significant address, taking stock of the full range of your Administration's many initiatives to maintain America's strong economic leadership.

The tone is upbeat in the first half, emphasizing the good economic news and the spread of freedom around the world.

The second half emphasizes your broad-based, comprehensive proposals for ensuring continued economic growth: The capital gains tax cut, new funding for R & D, the new education goals, and drug-free workplaces. Fundamental reform in trade, product liability, and anti-trust laws. And a pitch for the Clean Air compromise.

McNally/Simon
March 14, 1990
Draft Four (B:NAM)

PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
THURSDAY, MARCH 15, 1990, 10:30 A.M.

Thank you, Dan [KRUMM, N.A.M. CHAIRMAN]. And I want to salute your president -- Jerry Jasinowski.

I told Barbara I'd be spending some time with people who have risen to the top of the financial world by controlling the disbursement of billions of dollars. She said: "You're addressing the baseball lawyers?" \\\

Baseball's "Opening Day" may not be on the calendar yet. But the truth is, the calendar offers each of us many "opening days" -- convenient launch points for a fresh start. Sometimes it is a new day, a new year. Now, it's a new decade -- a decade born amid shouts of joy and triumph, a decade full of hope, barrelling with confidence towards a new century and a new era.

The roll call is exciting, exhilarating, accelerating. We call it the "Revolution of '89," but in Poland, it took about 10 years. Then in Hungary about 10 months. East Germany, 10 weeks. Czechoslovakia, 10 days. And Bulgaria and Romania right behind.

Six nations in 6 months. And from 6 different tongues we heard the same one word -- FREEDOM. The people of Central Europe believed it. They fought for it. And they deserve the credit.

But take that word "FREEDOM" sometime, pick it up out of the newsprint and turn it over. And look on the back. More often than not, you'll find the same proud label that adorns the products you produce: "MADE IN ^{AMERICA} THE U.S.A."

Eight years ago, Ronald Reagan stood before this very group and issued a bold and simple challenge. He said: "America can serve as the catalyst for an era of unimagined human freedom and dignity." \\\ And the cry of that great President became the "shout heard 'round the world." \\\

^{AMERICA}
"MADE IN THE U.S.A." Back here, especially in Washington, there may be some still plagued by the demons of doom and doubt.

Maybe in Washington. But not in Warsaw. Asked if Radio Free Europe had been important to democracy in Poland, Lech Walesa responded with a question of his own: "Would there be Earth without the Sun?"

Maybe in Washington. But not in Wenceslaus Square. Last month Vaclav Havel praised our resolve as "defender[s] of freedom," telling Congress that Czechoslovakia probably wouldn't exist today if it hadn't been for the Atlantic alliance.

And no quotes are needed to tell you the role of American persistence and American courage in standing for liberty in Panama and Nicaragua. \\\

Yes, these are heady times. But the good news isn't only overseas. Because the Revolution of '89 marks the triumph not only of free ideas -- but also free markets. \\\ And when it comes to free markets, America continues to lead the way. \\\

~~Here again, there are doubters. So let me speak plainly:~~
The U.S. economy is the largest, strongest, most productive economy on Earth. Our standard of living is one-third higher than that of West Germany or Japan. With less than five percent

No, the economy is not perfect and some worry about a slowdown I don't to paint an unrealistic picture but look at the facts

of the world's people, in 1988 Americans accounted for more than 25 percent of the world's production. Our G.N.P. is more than two and a half times that of the world's No. 2 economy -- Japan.

And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called "productivity." And it's spelled "U-S-A." \\\

Thanks in no small part to the commitment and imagination of the people and companies represented here in this room, last year American exports of goods and services hit an all-time high -- over \$600 billion. And today, the United States is once again the world's No.1 exporter.

1989 marked our seventh consecutive year of economic growth. Today, we see GNP -- up. Exports -- up. Personal income -- up.

Now, some would say that every economy has its ups and downs. But take a look at what's down:

The trade deficit is down. The federal deficit -- down. The prime rate -- down. And last year's unemployment rate -- down -- the lowest since 1973.

But we're not just talking about statistics and numbers. As Dick Darman recently reminded me: "Torture numbers -- and they'll confess to anything." \\\

No, we're really talking about people -- people who hold the two and a half million new jobs created since I took office one year ago. For them, it means families and freedom. It means dignity and decency. Because two and a half million American jobs means two and a half million American futures. \\\

((And, speaking of the future -- earlier I asked one C.E.O. what he sees as the most lucrative growth industry in the 90's. He said: "Being a lawyer connected with the Trump case.")) \\\

Our people and our economy are strong. And so is our resolve. It will soon be tested, as the dramatic new changes in the world produce dramatic new challenges in the world market. We must prepare now to meet these challenges. My Administration is committed to an agenda for growth. It is founded upon investing in our future -- and every sound investment has its yield -- America's yield is the "Growth Dividend." \\\

The growth dividend will provide Americans with jobs and opportunity, higher living standards and a legacy of prosperity. So achieving solid and sustainable growth is my most fundamental domestic priority. It is why I have proposed a strong agenda of growth initiatives.

First, we need to bring more of America's investment capital back into the productive economy. Lowering the cost of capital will assure the continued investment in ^{productive} physical assets and human resources needed to keep our manufacturing sector the most competitive in the world -- a world where virtually none of our competitors fully taxes capital gains.

This is a marathon -- not a sprint. We can't produce the products needed to capture world markets by focusing on results one quarter at a time. We need to return not only to yesterday's values but also yesterday's thinking -- the "long-term thinking" and "investment-in-the-future" way of doing business that

produced the healthy climate we enjoy today.

The bottom line: It's time for Congress to pass the capital gains tax cut. \\\

America wants it done right. \\\ America wants it done responsibly. \\\ And America wants it done NOW. \\\\

Second, we need to keep interest rates down. \\\ And we're committed to helping that process by going to the heart of the matter: My Administration submitted a budget that will continue to bring the federal deficit down. And today I call on the Budget Committees to fulfill their legal responsibilities -- and come up with a Budget resolution by April 1st. That's two weeks away. It's time to act. It's time to bring the deficit down.\\\

Third, America needs a booster shot of new ideas along with the infusion of new capital our tax cut will provide. Matching investment capital with intellectual capital. And I call on Congress to help sharpen America's competitive edge: double the budget of the National Science Foundation. Bring funding for Research and Development to a record high. Make the Research and Experimentation tax credit permanent. And expand the Eisenhower education grants for math and science.

Fourth, we must stand behind our workforce and the quality of our products. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with an emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's

governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to at least 90 percent. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

We've got to re-establish standards and re-establish expectations -- the kind of "quality control" so essential to everything America produces.

Quality is something you understand. And quality in manufacturing and quality in education are intertwined.

These goals are an important step towards restoring quality in education. They help focus our efforts less on input -- the amount of money that goes into our schools -- and more on output -- the quality of student that comes out.

This kind of basic quality control is also basic to producing quality goods. And it's being spurred on in American manufacturing by steps taken within your own ranks -- steps like the prestigious, high-level competition produced by awards like those named after the late Mac Baldrige.

It's also spurred on by efforts to ensure a literate workforce. We salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers.

And finally, it's essential that we have a drug-free workforce. One way to stop drugs at work is to make sure it never starts. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one.

So next, I call for Congress to act now to make the U.S. marketplace work better through two basic reforms: Product liability reform -- to increase our competitiveness without compromising safety. And anti-trust reform -- to remove obstacles to joint production ventures by U.S. companies. \\\

I am also convinced that America's growth need not come at the expense of the environment. Our natural resources are invaluable assets -- and like any other assets, they need to be maintained in order to sustain our ability to grow.

For 13 years, Congress has been unable to pass a new Clean Air Act. Two weeks ago, we reached a breakthrough -- a bi-partisan agreement to untangle the web of regional politics that has stopped clean air. I compliment the Senate leadership for their very constructive negotiations. And today I call upon the Senate to now pass Clean Air -- to stand by the agreement -- and to protect our environment without saddling the bill with new subsidies and cumbersome rules. \\\

I mentioned self-inflicted burdens -- and of course -- not all our competitive burdens are self-inflicted. There are also foreign barriers to U.S. exports which must be addressed. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese

market. And we are pressing hard to open Japanese markets to address specific trade categories. \\\

We must and will move aggressively to open markets and expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and we'll take on anyone, anytime, anywhere. \\\

As in Berlin, barriers are coming down all over the world. It took years of persistence, but the ideas championed by America -- freedom, democracy, competition, and investment -- are flourishing because they work, because they are the best. It can be the same for American goods.

In 1986, on the eve of July 4th, a single blue laser split the darkness over New York harbor -- a man-made lightning bolt that re-lit the torch of a re-born Statue of Liberty. The torch has been held high ever since. And today that light continues to inspire hope from Panama to Prague, from Moscow to Managua. \\\

Somehow, a recent bit of news seems fitting: 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. \\\

God bless you. And God bless the U.S.A.

#

Porter Comments

THE WHITE HOUSE
WASHINGTON

1990 MAR 13 PM 6:59

March 13, 1990

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON *cw*
FROM: EDWARD McNALLY *EM*
SUBJECT: NATIONAL ASSOCIATION OF MANUFACTURERS SPEECH

I. SUMMARY

Attached are draft remarks for Thursday morning's address to the annual meeting of the National Association of Manufacturers.

II. DISCUSSION

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The address (17 minutes, TelePrompter) emphasizes the accomplishments and initiatives of your Administration on economic and business issues. It is intended as a significant address, taking stock of the full range of your Administration's many initiatives to maintain America's strong economic leadership.

The tone is upbeat in the first half, emphasizing the good economic news and the spread of freedom around the world.

The second half emphasizes your broad-based, comprehensive proposals for ensuring continued economic growth: The capital gains tax cut, new funding for R & D, the new education goals, and drug-free workplaces. Fundamental reform in trade, product liability, and anti-trust laws. And a pitch for the Clean Air compromise.

McNally/Simon
March 13, 1990
Draft Three (B:NAM)

**PRESIDENTIAL REMARKS: NATIONAL ASSOCIATION OF MANUFACTURERS
RAMADA RENAISSANCE AT TECHWORLD
THURSDAY, MARCH 15, 1990, 10:30 A.M.**

Thank you, Dan [KRUMM, N.A.M. CHAIRMAN]. [ACKNOWLEDGEMENTS]

I told Barbara I'd be spending some time with people who have risen to the top of the financial world by controlling the disbursement of billions of dollars. She said: "You're addressing the baseball lawyers?" \\\

Baseball's "Opening Day" may not be on the calendar yet. But the truth is, the calendar offers each of us many "opening days" -- convenient launch points for a fresh start. Sometimes it is a new day, a new year. Now, it's a new decade -- a decade born amid shouts of joy and triumph, a decade full of hope, barrelling with confidence towards a new century and a new era.

The roll call is exciting, exhilarating, accelerating. We call it the "Revolution of '89," but in Poland, it took about 10 years. Then in Hungary, about 10 months. East Germany, 10 weeks. Czechoslovakia, 10 days. And Bulgaria and Romania right behind.

Six nations in 6 months. And from 6 different tongues we heard the same one word -- FREEDOM. The people of Central Europe believed it. They fought for it. And they deserve the credit.

But take that word "FREEDOM" sometime, pick it up out of the newsprint and turn it over. And look on the back. More often than not, you'll find the same proud label that adorns the products you produce: "MADE IN THE U.S.A."

Eight years ago, Ronald Reagan stood before this very group and issued a bold and simple challenge. He said: "America can serve as the catalyst for an era of unimagined human freedom and dignity." \\\ And the cry of that great President became the "shout heard 'round the world." \\\

"MADE IN THE U.S.A." *ECHOES FROM WASHINGTON TO WARSAW.* Back here, especially in Washington, ~~there may be some still plagued by the demons of doom and doubt.~~

~~Maybe in Washington. But not in Warsaw.~~ Asked if Radio Free Europe had been important to democracy in Poland, Lech Walesa responded with a question of his own: "Would there be Earth without the sun?"

~~[Maybe in Washington. But not in Wenceslaus Square.]~~ Last month Vaclav Havel praised our resolve as "defender[s] of freedom," telling Congress that Czechoslovakia probably wouldn't exist today if it hadn't been for the Atlantic alliance.

And no quotes are needed to tell you the role of American persistence and American courage in liberating the peoples of Panama and Nicaragua. \\\

Yes, these are heady times. But the good news isn't only overseas. Because the Revolution of '89 marks the triumph not only of free ideas -- but also free markets.

And when it comes to free markets, America continues to lead the way. \\\

THE FIGURES SPEAK FOR THEMSELVES.
~~Here again, there are doubters. So let me speak as plainly~~
~~as I can:~~ The U.S. economy is the largest, strongest, most productive economy on Earth. With less than five percent of the

world's people, in 1988 Americans accounted for more than 25 percent of the world's production. Our G.N.P. is more than two and a half times that of the world's No. 2 economy -- Japan.

And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called "productivity." And it's spelled "U-S-A." \\\

Thanks in no small part to the commitment and imagination of the people and companies represented here in this room, last year American exports of goods and services hit an all-time high -- over \$600 billion.

Today, the United States is once again the world's No. 1 exporter. For our families, for our children, that helps keep America's standard of living far and away the highest of any major industrialized country in the world. One-third higher than that of West Germany or Japan.

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Now, some would say that every economy has its ups and downs. But take a look at what's down:

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You who run the factories, you who sign the paychecks, you

know what it means to have created two and a half million jobs since I took office one year ago. It means families and freedom. It means dignity and decency. Because two and a half million American jobs means two and a half million American futures. \\\

((And, speaking of the future -- earlier I asked one C.E.O. what he sees as the most lucrative growth industry in the 90's. He said: "Being a lawyer connected with the Trump case.")) \\\

Our people and our economy are strong. And so is our resolve. It will soon be tested, as the dramatic new changes in the world produce dramatic new challenges in the world market. America must prepare now to meet these challenges. And my Administration is pressing forward with our plan to keep America competitive, and to keep America's economy second to none. \\\

First, we need to bring more of America's investment capital back into the productive economy. Lowering the cost of capital will assure the continued investment in ^{PRODUCTIVE} physical assets and human resources needed to keep our manufacturing sector the most

competitive in the world -- a world where virtually none of our competitors ^{OVER} fully taxes capital gains. * → MY CAPITAL GAINS PROPOSAL WILL CREATE MORE SAVINGS, INVESTMENT, GROWTH, AND JOBS, JOBS, JOBS.

This is a marathon -- not a sprint. We can't produce the products needed to capture world markets by focusing on results one quarter at a time. We need to return not only to yesterday's values but also yesterday's thinking -- the "long-term thinking" and "investment-in-the-future" way of doing business that produced the healthy climate we enjoy today.

The bottom line: It's time for Congress to pass the capital

* THE BOTTOM LINE FOR AMERICA'S WORKING PEOPLE IS THIS:

gains tax cut. \\\

America wants it done right. \\\ America wants it done responsibly. \\\ And America wants it done NOW. \\\\

Along with this infusion of new capital, America needs a booster shot of new ideas. Matching investment capital with intellectual capital. And I call on Congress to help sharpen America's competitive edge by acting on our new proposals. Doubling the budget of the National Science Foundation. Record-high funding for Research and Development. Making the Research and Experimentation tax credit permanent. A 70 percent expansion of the Eisenhower education grants for math and science.

And as always, our workforce comes first. American workers today are good workers -- the best in the world. But we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with more emphasis on basic skills, the sciences, math and engineering.

We're going to do this in partnership with America's governors and schools. Giving those in need a fair start through Project Head Start. Raising our high school graduation rates to at least 90 percent. And in science and math our goal is unambiguous -- first in the world by the Year 2000. \\\

We've got to re-establish standards and re-establish expectations -- the kind of "quality control" so essential to everything America produces.

Quality is something you understand. And quality in manufacturing and quality in education are intertwined.

That's why we need a literate workforce. And we salute manufacturers' efforts like the one Barbara visited recently in Michigan -- a model of cooperation between the Ford Motor Company and the United Auto Workers.

These goals are an important step towards restoring quality in education. They help focus our efforts less on input -- the amount of money that goes into our schools -- and more on output -- the quality of student that comes out.

This kind of basic quality control is also basic to producing quality goods. And it's being spurred on in American manufacturing by steps taken within your own ranks -- steps like the prestigious, high-level competition produced by awards like those named after my old friend Mac Baldrige.

There's one final education goal -- maybe the most important. We need schools that are free from crime. Free from chaos. And that means -- free from drugs. \\\

And what's true for the American school goes double for the American workplace. One way to stop drugs at work is to make sure it never starts. Pre-employment drug screening. Because if you're not part of the solution -- you're part of the problem.

A drug-impaired workforce is one of the ways in which American competitiveness can suffer from a self-inflicted burden. But it's not the only one. I call for Congress to act now to make the U.S. marketplace work better through two basic reforms: Product liability reform -- to increase our competitiveness without compromising safety. And anti-trust reform -- to

encourage joint production ventures by U.S. companies. \\\

I am also convinced that America's growth need not come at the expense of the environment. Our natural resources are invaluable assets -- and like any other assets, they need to be maintained in order to sustain our ability to grow.

For 13 years, Congress has been unable to pass a new Clean Air Act. Two weeks ago, we reached a breakthrough -- a bipartisan agreement to untangle the web of regional politics that has stopped clean air. I compliment the Senate leadership for their very constructive negotiations. And today I call upon the Senate to now pass Clean Air -- to stand by the agreement -- and to protect our environment without saddling the bill with new subsidies and cumbersome rules. \\\

I mentioned self-inflicted burdens -- and of course -- not all our competitive burdens are self-inflicted. There are also foreign barriers to U.S. exports which must be addressed. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call the "Structural Impediments Initiative" to break down non-tariff barriers to the Japanese market. And we are pressing hard to open Japanese markets to American satellites, telecommunications, super computers, forest products, and yes, American semi-conductors. \\\

We must and will move aggressively to open markets and expand our share of world trade. \\\

I still believe that -- for far-reaching, fundamental reform -- our best hope is the proposals we've made in the Uruguay Round

of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade -- and just like in the Olympics -- we'll always bring home our share of gold. \\\

As in Berlin, barriers are coming down all over the world. It took years of persistence, but American ideas were accepted, finally, because they work, because they are the best. It can be the same for American goods.

In 1986, on the eve of July 4th, a single blue laser split the darkness over New York harbor -- a man-made lightning bolt that re-lit the torch of a re-born Statue of Liberty. The torch has been held high ever since. And today that light continues to inspire hope from Panama to Prague, from Sophia to Seoul, from Moscow to Managua... \\\

Somehow, a recent bit of news seems fitting: 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 for your warm greeting. God bless you. And God bless the U.S.A.

#