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Series: Speech File Draft Files
Subseries: Chron Files, 1989-1993

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Folder ID Number: 13529-006

Folder Title:
78th Annual Meeting of U.S. Chamber of Commerce 4/30/90 [OA 4729] [2]

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

April 25, 1990

FACT SHEET

The President today announced a three-part budget reform package that: 1) proposes an amendment to the Constitution to provide a line-item veto; 2) reiterates the President's previous support for the Legislative Line-Item Veto Act of 1989 (S. 1553) to enhance Presidential rescission authority; and 3) endorses a balanced budget amendment to the Constitution.

LINE-ITEM VETO AMENDMENT:

- o Today the President transmitted to the Congress a proposed constitutional amendment to create a line-item veto applicable to bills containing spending authority.
- o The Governors of 43 of the 50 States possess line-item veto authority, which has been requested by seven previous Presidents, beginning more than a century ago.
- o The amendment would give the President authority to separately approve, reduce, or disapprove any provision of a bill containing any "item of spending authority."
- o "Items of spending authority" have been broadly defined, to capture the whole range of Federal spending.
 - They include: items of appropriation, spending authorizations, authority to borrow money on the credit of the United States or otherwise, dedications of revenues, entitlements, uses of assets, insurance, guarantees of borrowing, and any authority to incur obligations.

(more)

- o The basic veto mechanism currently in the Constitution has been retained in the amendment.
 - When the President exercises the item veto, he will signify in writing the portions approved or approved as reduced, which will then become law, and return disapproved portions and reductions to Congress, which will reconsider each of them just as it now does with vetoed bills.

THE LEGISLATIVE LINE-ITEM VETO ACT OF 1989:

- o The President today reiterated his support for the Legislative Line-Item Veto Act of 1989 (S. 1553), which would enable the President to rescind wasteful and unnecessary appropriations. This legislation will provide needed reforms in the budget procedure known as rescission. The President previously endorsed the legislation when it was introduced on August 4, 1989.
- o Present law allows for cancellation of an appropriation only through the rescission process. Congress, however, can thwart a Presidential proposal for rescission simply by inaction. In fact, the vast majority of rescission proposals submitted since passage of the present law in 1974 were never acted upon.
- o The Legislative Line-Item Veto Act would reform the rescission process by requiring that Congress take affirmative action to disapprove any rescission.
- o The legislation would provide two periods during which the President could propose rescissions. First, after the signing of individual appropriations bills, the President would have 20 days to propose rescissions. The rescissions would go into effect after a specified period -- up to 35 days in length -- unless a bill disapproving the rescissions is enacted.
- o Second, the President could also forward rescissions at the time of his budget submission to Congress each fiscal year. Again, the rescissions would go into effect unless a law is enacted disapproving the rescissions. The legislation also provides expedited Congressional procedures to speed consideration of the President's rescission proposals.

(more)

BALANCED BUDGET AMENDMENT:

- o The President also called today for a balanced budget amendment to the Constitution, and endorsed Senate Joint Resolution 12, a balanced budget amendment introduced by Senator Thurmond.
- o The proposed amendment would require that outlays not exceed receipts, thus allowing the budget to be balanced or to run a surplus. The proposal also includes a safeguard against a resort to higher taxes as a means of complying with the constitutional mandate.
- o The President called for a change in Senate Joint Resolution 12: that the mandate for a balanced budget be effective beginning with fiscal year 1993 -- the year in which the Gramm-Rudman-Hollings law requires elimination of the deficit.
- o More than 30 State legislatures have already called for a constitutional convention for the purpose of adopting a balanced budget amendment.

THE WHITE HOUSE

WASHINGTON

April 26, 1990

MEMORANDUM FOR CHRISS WINSTON
DEPUTY ASSISTANT TO THE PRESIDENT FOR
COMMUNICATIONS

FROM: C. BOYDEN GRAY *mg*
COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: US Chamber of Commerce

The Chamber of Commerce, along with other organizations in the Coalition for Fiscal Responsibility, has been among the strongest supporters of budget process reforms like those included in the package that the President announced yesterday. For that reason, and because these groups are planning a number of events next week that should help focus attention on the importance of initiatives like those included in the President's program, I believe this speech should include language along the following lines:

"As all of you know, excessive government spending is among the most serious and intractable burdens on our economy. Last Wednesday, I sent to Congress a three-part budget reform package including (1) a proposed constitutional amendment to provide the President with the line-item veto; (2) renewed support for the Legislative Line-Item Veto bill; and (3) my endorsement of a balanced budget constitutional amendment.

"I know that the Chamber of Commerce -- together with other organizations in the Coalition for Fiscal Responsibility -- has been in the forefront of the battle for these important reforms. I thank you for your efforts, and I look forward to our continuing partnership in the effort to get our Nation's fiscal house in order."

Please call Nelson Lund (x2896) if my office can offer further assistance.

cc: Jim Cicconi

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CO MAR 26

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/25/90 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 AM 4/26/90

SUBJECT: PRESIDENTIAL REMARKS: US CHAMBER OF COMMERCE

	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 type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
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GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Deland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please provide your comments/recommendations directly to Chriss Winston's office with a copy to my office by 10:00 AM THURSDAY, APRIL 26, 1990. Thank you.

See attached comments and inserts from Cabinet Affairs and the following Depts.: USTR (NIC)
 Commerce (NIC)
 Labor ✓
 OPIC ✓

Thanks.
 Holly Williamson

90 MAR 26

McGroarty/Dooley
April 24, 1990
6:00 pm
[comm.90]

1990 APR 24 PM 6:16

PRESIDENTIAL REMARKS: U.S. CHAMBER OF COMMERCE
CONSTITUTION HALL
APRIL 30, 1990
9:00 A.M.

Thank you. It's always a pleasure to meet with this high-powered group. I want to acknowledge outgoing Chairman of the Chamber, John Clendenin, for the leadership he's shown this past year. / Incoming Chairman James Baker -- and no, it's not a Cabinet shake-up: I'm talking about James K. Baker -- who will carry the Chamber's fine tradition forward into this new decade. / Let me say hello to Dick Leshner, President [[-- I'm tempted to say President for Life --]] of the Chamber of Commerce. //

And finally, let me welcome our special guests -- the schoolchildren here today from all around the Washington area, right here in front. I know you've been looking forward to today for a long time. // After all, it's not every day you get to get out of math and spelling. //

I know it isn't easy to understand all the things we're talking about this morning. But there is one thing I'm sure you can understand. **You're here because you are important** -- because when you grow up, you might just run your own business, like the people here. Or maybe you'll even run for President -- and believe it or not, I was once 7 years old, just like you are now. // So today I want to challenge all of you: keep working hard in school. Do your very best. // And I want to challenge

the Chamber of Commerce as well. Keep up your crusade for excellence in education. Help us make that classroom a place where miracles happen. ///

✓
(OCA)

John Clendenin mentioned a few moments ago the whirlwind of change we've seen this past year. Last year, I spoke to you on May 1 -- May Day -- by tradition one of the great days of celebration in the socialist world. I said then that even the socialist world was coming to see that socialism wasn't just another economic system -- it was the death of economics.

That much was clear. What none of us could see on the eve of May Day '89 was how close we had come to the wholesale collapse of communism.

First in Poland, then across Eastern Europe -- one nation after another broke the stranglehold of the State, and embraced democracy. Here in our own hemisphere, in Panama and Nicaragua, the day of the dictator gave way to the triumph of democracy. //

These transforming events brought freedom to tens of millions of people. And with that freedom, new challenges.

Digging out from under the wreckage of ruined economies. Reclaiming rights and freedoms long denied. Everywhere from Prague to Panama City, the time had come to make a start in the difficult work of democracy-building.

It's that challenge that I want to talk about today. And it's a challenge that can engage every one of you -- because you and the institutions you represent are proof of the power of the

INSERT
A
(see next page)

(Please note: this is a perfect audience to mention the Budget Reform package to -- the Chamber is way out in front on this. [we also attacked in back the talking points & fact sheet on this package])

private sector. // Democracy prospers when it rests on the firm foundation of the free market.

Think about that. What it means is that one of the chief aims of our public policy must be to involve the private sector - - in all its diversity -- in the business of building democracy.

That's not to say that there is no work for government to do. Government-to-government aid is essential -- especially in the first days of democracy, when the institutions of free government are most fragile. / That's why I continue to urge Congress to pass our emergency aid to Nicaragua and Panama -- and that's why we've already put together aid packages for Poland and Hungary. When democracy's at stake, America always extends a hand. //

But as I've said many times, government aid alone is not the answer. / It's more than a matter of finding enough funds. It's a matter of principle -- of what we mean when we talk about building democracy.

The simple truth is this: Democracy -- and the freedoms it enshrines -- can never be a gift of government.

Earlier this year, in the State of the Union, I talked about the cornerstones of free society -- the building blocks of democracy. All the elements that make America what it is: Competition. Opportunity. Stewardship. Private investment.

Those building blocks are what make America work. More than that -- they're what make democracy work.

And they're what the newly emerging democracies of this hemisphere and in Eastern Europe need to grow and prosper. Think back to what Lech Walesa said last November, when he spoke to the AFL-CIO about the needs of the new Poland. "Such is the fate of a Polish trade unionist," he said, that "he has to launch a **publicity campaign for private entrepreneurship**."

Lech Walesa told the Congress he hadn't come to ask for charity. He knew -- as we know -- that **we can't create democracy by writing a check**. We build democracy in other nations **not** by taking responsibility for their needs -- but by helping them take responsibility **for themselves**. We build democracy whenever we help individuals take their destiny in their own hands.

Democracy puts the focus **not on government** -- but on the **freedom of the individual**. Not on the **State**, but on **society** -- the private sector. **Democracy thrives in direct proportion to the flowering of individual freedom and free enterprise**.

And my Administration is doing all it can to promote private sector development. The Commerce Department -- under Bob Mosbacher's leadership -- has opened its Eastern Europe Business Information Center, and has just hosted, with the Chamber, a conference on doing business in Eastern Europe. Carla Hills and her USTR team have been negotiating with the emerging democracies to open the way for expanded trade. And at Agriculture, Clayton Yeutter has led our effort to provide food aid -- and free market expertise to spearhead agricultural reforms.

See Labor insert B (next page)
on Sec. Dole

But today, I want to turn the spotlight on one of the best-kept secrets in town: an agency called OPIC -- the Overseas Private Investment Corporation. *Describe briefly what OPIC does-- provide risk insurance, investment guar- (OCA) ✓ stip. And anties, etc.*

OPIC's been around since the days of the Marshall Plan. here's a fact I know this crowd will appreciate: OPIC is one government agency that actually turns a profit. // Today, after years of being overlooked, OPIC is coming into its own -- as a key tool in our overall approach to help the world's emerging democracies sustain themselves.

We've got to be realistic. Economic growth won't come overnight. The emerging democracies of Eastern Europe have sustained four decades of economic decay. Here in our own hemisphere, years of dictatorship in Nicaragua and Panama have **all but driven those economies into the ground -- and destroyed the basic commercial infrastructure that makes growth possible.**

But with the emergence of democracy, fundamental changes are taking place. These nations are working round the clock to **jump-start their stalled economies -- to create conditions for a functioning free market. And for democracy's sake -- we've got to do all we can to help this transition take place.**

Let me tell you what OPIC's doing to strengthen the free market foundations of democracy in Panama. *Just sixty days ✓ (OPIC) ✓* ~~One month~~ after Operation Just Cause, OPIC led an investment mission of 27 American businesspeople to meet with their counterparts in Panama. The investment agreements that came out of that 7-day

mission should lead to the direct investment of more than \$70 million dollars in Panama, and 400 new jobs.

Here's the story of one American businessman who went on that mission. A small businessman -- a shrimp farmer from Coral Gables, Florida -- named Joe Thaggard. During the days of the old regime, he struggled to keep alive a small shrimp farm in Panama. Now with the return of democracy, Joe saw a risk worth taking -- and so did OPIC. In three months' time, he has more than doubled his workers -- and now has more than 100 Panamanians on payroll. / Joe Thaggard's making the most of a good business opportunity -- and he's helping provide the people who work for him in Panama, and their families, more than just a paycheck. He's providing them a chance to build a future. //

We're looking to create the same kind of opportunities for investment in Nicaragua, where an OPIC mission is planned for early June. / And of course, beyond our own hemisphere, there is a need for this kind of private investment in Eastern Europe. // As we speak, OPIC's President, my good friend Fred Zeder, is leading an investment mission to Hungary and Poland -- playing matchmaker to 30 American corporations and a far larger number of Eastern Europe's aspiring entrepreneurs.

Most of you know about the \$150 million dollar deal between General Electric and Hungary's largest electric enterprise, Tungram -- what you may not know is OPIC's leading role in making that investment possible. {And that's just a fraction of the interest generated so far: already, OPIC has received

See Insert C
(next page)
Because of legislation that has become law, Panama Shrimp cannot be imported into the US beginning this Spring -- because of no turtle excluders on their nets.

— INSERT C —

NEW PARA PAGE 6 (REPLACES SHRIMP FARMER?JOE THAGGARD STORY)

HERE'S THE STORY OF A SMALL COMPANY FROM NEW HAVEN, CONNECTICUT THAT OPIC WILL HELP IN PANAMA. THIS DAIRY COMPANY HAD PLANS TO INVEST IN PANAMA, BUT HAD TO ABANDON ITS IDEAS BECAUSE OF THE OLD REGIME. NOW, WITH THE RETURN OF DEMOCRACY, SERVRITE INTERNATIONAL, ALONG WITH SOME THIRTY PANAMANIAN DAIRY FARMERS, PLANS TO BUILD A MODERN FRESH-MILK PROCESSING PLANT IN THE RURAL PROVINCE OF CHIRIQUI. THE PROJECT WILL CREATE 50 NEW JOBS AND PROVIDE AMERICAN TECHNICAL ASSISTANCE SO RURAL DAIRY FARMERS CAN GET THEIR MILK TO THE MARKET -- AND ISN'T THAT WHAT ITS ALL ABOUT! SERVRITE AND OPIC WILL MAKE THE MOST OF A GOOD BUSINESS OPPORTUNITY -- AND PROVIDE PANAMANIAN DAIRY FARMERS WITH A PAYCHECK, AND A CHANCE TO BUILD A FUTURE.

✓(OPIC)

requests representing more than \$2 billion dollars worth of American private sector investment in Hungary and Poland alone.}

The potential for growth -- and the dividends for democracy -- are both great. //

You may have heard about some of Japan's new joint ventures in Eastern Europe -- Suzuki's plan to build cars in Hungary, or Daihatsu's deal to do the same in Poland. // There's nothing unfair about these ventures -- just proof that one of our key competitors is engaged in a hard-nosed hunt for good opportunities in a new market.

I've said it before and I'll say it now: American business can out-think, out-work, and out-perform any nation in the world. But we can't beat the competition if we don't get in the game. // If American business wants to keep ahead of the competition, the time to act is now. //

Government must act too -- to help energize the private sector. // Today, I'm announcing ^{two growth funds being formed ✓} ~~today the formation~~ -- under (OPIC) OPIC's auspices, ~~of two growth funds.~~ Magnets for the kind of investment capital that can create growth and responsible development in these new democracies I've been talking about, and around the world.

First, the Eastern Europe Growth Fund. Privately managed - ^{it will be} ~~but~~ capitalized in part by OPIC, and backed by its political risk insurance. ^{when fully capitalized at} ~~With a total capitalization of~~ \$200 million dollars, this fund ^{will} can channel American investment dollars into ^{✓(OPIC)} Eastern Europe's most promising economic ventures. ^{✓(OPIC)}

rephrase -- sounds like the "picking winners + losers" industrial policy we oppose in the U.S. (OCA)

THE WHITE HOUSE
WASHINGTON

Date: _____

TO:

FROM: **STEPHEN I. DANZANSKY**
Deputy Assistant to the President
and Director of Cabinet Affairs

Page 8.

This "fund" was never discussed or cleared with anyone from OCA. The Governor has asked us to look at funding mechanisms for international environmental efforts and conventions. This is only a part of the whole and should not be announced without further discussion. NSC is also very concerned and involved in this issue.

see next page - 1st paragraph.

* see attached note from Steve Danzansky on this. He feels very strongly about this paragraph ⁸ not being included.

Second, I want to announce the creation of the Environmental Investment Fund, ^{to be} backed by the same OPIC guarantees. This \$100 million dollar fund will help finance enterprises in developing nations that fight pollution, or contribute to the sustainable use of natural resources. The United States and the nations of the world share a responsibility for the environmental health of the planet. // We've got to challenge ourselves to keep alive that concern and commitment we saw so clearly on Earth Day -- every day. ✓ (OPIC)

I know many of you are already involved in the economies of the countries I've been speaking about. John Clendenin mentioned your newly-created East European Trade and Technical Assistance Center -- and I also know the Chamber of Commerce just opened its newest international office in Budapest.

You are making history -- helping millions of people realize their dream of democracy. It will be a tremendous struggle -- a struggle measured not in days or months, but years. But what I've seen on my visits to Poland and Hungary -- and what I've learned in my conversations with the new leaders of Nicaragua and Panama -- is that all the years of despotic rule **have not crushed the human spirit.**

These people are determined -- full of hope and dreams. And now -- they're free.

And if our American example teaches anything -- it teaches that freedom is the world's most powerful force. ///

It's been a privilege to speak to all of you today. Thank you -- and may God bless the United States of America.

#

Action: Lael Brainard

Document No. 135405

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/25/90

ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 AM 4/26/90

SUBJECT: PRESIDENTIAL REMARKS: US CHAMBER OF COMMERCE

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REMARKS:

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RESPONSE:

See suggested changes.

[Handwritten signature]

90 MAR 26 11:05 AM

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

McGroarty/Dooley
April 24, 1990
6:00 pm
[comm.90]

1990 APR 24 PM 6:16

PRESIDENTIAL REMARKS: U.S. CHAMBER OF COMMERCE
CONSTITUTION HALL
APRIL 30, 1990
9:00 A.M.

Thank you. It's always a pleasure to meet with this high-powered group. I want to acknowledge outgoing Chairman of the Chamber, John Clendenin, for the leadership he's shown this past year. / Incoming Chairman James Baker -- and no, it's not a Cabinet shake-up: I'm talking about James K. Baker -- who will carry the Chamber's fine tradition forward into this new decade. / Let me say hello to Dick Leshner, President [[-- I'm tempted to say President for Life --]] of the Chamber of Commerce. //

And finally, let me welcome our special guests -- the schoolchildren here today from all around the Washington area, right here in front. I know you've been looking forward to today for a long time. // After all, it's not every day you get to get out of math and spelling. //

I know it isn't easy to understand all the things we're talking about this morning. But there is one thing I'm sure you can understand. **You're here because you are important** -- because when you grow up, you might just run your own business, like the people here. Or maybe you'll even run for President -- and believe it or not, I was once 7 years old, just like you are now. // So today I want to challenge all of you: keep working hard in school. Do your very best. // And I want to challenge

the Chamber of Commerce as well. Keep up your crusade for excellence in education. Help us make that classroom **a place where miracles happen.** ///

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Digging out from under the wreckage of ruined economies.

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difficult work of democracy-building *and economic restructuring.*

It's that challenge that I want to talk about today. And it's a challenge that can engage every one of you -- because you and the institutions you represent are **proof of the power of the**

private sector. // Democracy prospers when it rests on the firm foundation of the free market.

Think about that. What it means is that one of the chief aims of our public policy must be to involve the private sector - in all its diversity -- in the business of building democracy. *← providing the economic foundations for*

That's not to say that there is no work for government to do. Government-to-government aid is essential -- especially in the first days of democracy, when the institutions of free government are most fragile. / That's why I continue to urge Congress to pass our emergency aid to Nicaragua and Panama -- and that's why we've already put together aid packages for Poland and Hungary. When democracy's at stake, America always extends a hand. //

But as I've said many times, government aid alone is not the answer. / It's more than a matter of finding enough funds.

It's a matter of principle -- of what we mean when we talk about building democracy. *Democracy is premised on individual freedom.*

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requests representing more than \$2 billion dollars worth of private sector investment in Hungary and Poland alone.)

The potential for growth -- and the dividends for democracy -- are both great. //

You may have heard about some of Japan's new joint ventures in Eastern Europe -- Suzuki's plan to build cars in Hungary, or Daihatsu's deal to do the same in Poland. // There's nothing **unfair** about these ventures -- just proof that one of our key competitors is engaged in a hard-nosed hunt for good opportunities in a new market.

I've said it before and I'll say it now: American business can out-think, out-work, and out-perform any nation in the world. **But we can't beat the competition if we don't get in the game.** // If American business wants to keep ahead of the competition, the time to act is now. //

Government must act too -- to help energize the private sector. // Today, I'm announcing today the formation -- under OPIC's auspices -- of two growth funds. Magnets for the kind of investment capital that can create growth and responsible development in these new democracies I've been talking about, and around the world.

First, the Eastern Europe Growth Fund. Privately managed - - but capitalized in part by OPIC, and backed by its political risk insurance. With a total capitalization of \$200 million dollars, this fund can channel American investment dollars into Eastern Europe's most promising economic ventures.

Second, I want to announce the creation of the **Environmental Investment Fund** -- backed by the same OPIC guarantees. This \$100 million dollar fund will help finance enterprises in developing nations that fight pollution, or contribute to the sustainable use of natural resources. The United States and the nations of the world share a responsibility for the environmental health of the planet. // We've got to challenge ourselves to keep alive that concern and commitment we saw so clearly on **Earth Day -- every day.**

I know many of you are already involved in the economies of the countries I've been speaking about. John Clendenin mentioned your newly-created East European Trade and Technical Assistance Center -- and I also know the Chamber of Commerce just opened its newest international office in Budapest.

You are making history -- helping millions of people realize their dream of democracy. It will be a tremendous struggle -- a struggle measured not in days or months, but years. But what I've seen on my visits to Poland and Hungary -- and what I've learned in my conversations with the new leaders of Nicaragua and Panama -- is that all the years of despotic rule **have not crushed the human spirit.**

These people are determined -- full of hope and dreams. And now -- they're **free.**

And if our American example teaches anything -- it teaches that freedom is the world's most powerful force. ///

It's been a privilege to speak to all of you today. Thank you -- and may God bless the United States of America.

#

BUDGET REFORM PACKAGE
APRIL 25, 1990

LET ME WELCOME SENATORS THURMOND, DOMENICI, AND COATS,
AND REPRESENTATIVES TAUKE, MARTIN, CRAIG, AND PENNY.
AND OF COURSE, SECRETARY BRADY, THE ATTORNEY GENERAL,
AND DIRECTOR DARMAN.

- 2 -

TODAY I AM SIGNING LETTERS TO SEND TO CONGRESS A
BUDGET REFORM PACKAGE THAT WOULD: 1) PROPOSE AN
AMENDMENT TO THE CONSTITUTION TO PROVIDE A LINE-ITEM
VETO; 2) REITERATE MY PREVIOUS SUPPORT FOR THE
LEGISLATIVE LINE-ITEM VETO ACT TO ENHANCE PRESIDENTIAL
RESCISSION AUTHORITY; AND, FINALLY, 3) ENDORSE A
BALANCED BUDGET AMENDMENT.

- 3 -

I, AS PRESIDENT, REPEAT THE CALL OF MANY OF MY PREDECESSORS FOR THE LINE-ITEM VETO AND TODAY I AM PROPOSING AN AMENDMENT TO THE CONSTITUTION TO ACCOMPLISH THIS.

THE PRESIDENT NEEDS THE POWER TO REMOVE UNNECESSARY EXPENDITURES THAT HAVE BEEN MADE A PART OF APPROPRIATIONS BILLS WITHOUT SACRIFICING ENTIRE LEGISLATIVE ENACTMENTS.

- 4 -

THIS POWER WOULD GIVE THE PRESIDENT THE SAME TOOL THAT 43 GOVERNORS HAVE --THE LINE-ITEM VETO.

I ALSO WANT TO REPEAT MY STRONG ENDORSEMENT ON AUGUST 4 OF LAST YEAR FOR THE LEGISLATIVE LINE-ITEM VETO ACT, WHICH WAS INTRODUCED IN THE SENATE BY DAN COATS AND JOHN MCCAIN.

- 5 -

I AM GLAD YOU COULD COME DOWN TODAY, DAN. SENATOR MCCAIN WOULD BE HERE, BUT HE'S WITH THE VICE PRESIDENT AT THE INAUGURATION OF PRESIDENT CHAMORRO.

THE HOUSE SPONSORS OF THE BILL ARE ALSO HERE: TIM TAUKE, LYNN MARTIN, LARRY CRAIG, AND TIM PENNY.

THE LEGISLATIVE LINE-ITEM VETO ACT STRENGTHENS THE RESCISSION AUTHORITY IN CURRENT LAW.

- 6 -

NOW, AN APPROPRIATION CAN ONLY BE CANCELED THROUGH RESCISSION. BUT CONGRESS CAN REJECT A PRESIDENTIAL RESCISSION SIMPLY BY INACTION.

AND THAT'S PRECISELY WHAT'S HAPPENED TO THE VAST MAJORITY OF RESCISSION PROPOSALS SINCE THE PRESENT LAW WENT INTO EFFECT IN 1974. AND SO I ASK CONGRESS TO REQUIRE AN UP OR DOWN VOTE ON PRESIDENTIAL RESCISSIONS.

- 7 -

THE PRESIDENT NEEDS THE POWER TO MAKE THE TOUGH CALLS ON SPENDING, TO TAKE THE HEAT -- AND I'M PERFECTLY PREPARED TO DO THAT.

THE THIRD AND FINAL ELEMENT OF MY BUDGET REFORM PACKAGE IS A BALANCED BUDGET AMENDMENT.

- 8 -

A BALANCED BUDGET AMENDMENT -- PROPERLY DRAFTED -- IS BOTH NECESSARY AND APPROPRIATE TO PROTECT THE INTERESTS OF A GROUP OF CITIZENS NOT NOW ABLE TO PROTECT THEMSELVES: THE CITIZENS OF FUTURE GENERATIONS.

SENATE JOINT RESOLUTION 12, INTRODUCED BY SENATOR THURMOND, IS ONE SUCH BALANCED BUDGET AMENDMENT AND TODAY I AM PLEASED TO ENDORSE IT.

MORE THAN 30 STATE LEGISLATURES HAVE ALREADY CALLED FOR A CONSTITUTIONAL CONVENTION FOR THIS PURPOSE.

THESE THREE TOOLS -- A LINE-ITEM VETO CONSTITUTIONAL AMENDMENT, ENHANCED RESCISSION AUTHORITY FOR THE PRESIDENT, AND A BALANCED BUDGET AMENDMENT -- TOGETHER WITH POLITICAL COURAGE AND DISCIPLINE ARE VITAL TO SOLVING THE PROBLEM OF BUDGET DEFICITS.

I AM PREPARED TO WORK WITH THE CONGRESS TO ENACT MEANINGFUL, CREDIBLE, AND EFFECTIVE BUDGET REFORMS. GETTING OUR FISCAL HOUSE IN ORDER IS CRUCIAL TO OUR NATION'S LONG-TERM ECONOMIC HEALTH AND PROSPERITY.

#

WHITE HOUSE STAFFING MEMORANDUM 3237

DATE: 4/25/90 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 AM 4/26/90

SUBJECT: PRESIDENTIAL REMARKS: US CHAMBER OF COMMERCE

	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 type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOVROFT	<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 checked="" type="checkbox"/>	<input type="checkbox"/>
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DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Pinkerton</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Deland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please provide your comments/recommendations directly to Chriss Winston's office with a copy to my office by 10:00 AM THURSDAY, APRIL 26, 1990. Thank you.

RESPONSE: April 26, 1990

TO: CHRISS WINSTON

NSC concurs with the Presidential remarks for the U.S. Chamber of Commerce, with changes indicated.

cc: James W. Cicconi

Bates for
Brent Scowcroft
90 MAR 26 11:52 AM '90

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

RECEIVED

22 : 11A 25 APR 90

22 : 11A 25 APR 90 90 APR 25 A 9: 30



McGroarty/Dooley
April 24, 1990
6:00 pm
[comm.90]

1990 APR 24 PM 6:16

PRESIDENTIAL REMARKS: U.S. CHAMBER OF COMMERCE
CONSTITUTION HALL
APRIL 30, 1990
9:00 A.M.

Thank you. It's always a pleasure to meet with this high-powered group. I want to acknowledge outgoing Chairman of the Chamber, John Clendenin, for the leadership he's shown this past year. / Incoming Chairman James Baker -- and no, it's not a Cabinet shake-up: I'm talking about James K. Baker -- who will carry the Chamber's fine tradition forward into this new decade. / Let me say hello to Dick Leshner, President [[-- I'm tempted to say President for Life --]] of the Chamber of Commerce. //

And finally, let me welcome our special guests -- the schoolchildren here today from all around the Washington area, right here in front. I know you've been looking forward to today for a long time. // After all, it's not every day you get to get out of math and spelling. //

I know it isn't easy to understand all the things we're talking about this morning. But there is one thing I'm sure you can understand. **You're here because you are important** -- because when you grow up, you might just run your own business, like the people here. Or maybe you'll even run for President -- and believe it or not, I was once 7 years old, just like you are now. // So today I want to challenge all of you: keep working hard in school. Do your very best. // And I want to challenge

the Chamber of Commerce as well. Keep up your crusade for excellence in education. Help us make that classroom a place where miracles happen. ///

John Clendenin mentioned a few moments ago the whirlwind of change we've seen this past year. Last year, I spoke to you on May 1 -- May Day -- by tradition one of the great days of celebration in the socialist world. I said then that even the socialist world was coming to see that socialism wasn't just another economic system -- it was the death of economics.

That much was clear. What none of us could see on the eve of May Day '89 was how close we had come to the wholesale collapse of communism.

First in Poland, then across Eastern Europe -- one nation after another broke the stranglehold of the State, and embraced democracy. Here in our own hemisphere, in Panama and Nicaragua, the day of the dictator gave way to the triumph of democracy. //

These transforming events brought freedom to tens of millions of people. And with that freedom, new challenges. Digging out from under the wreckage of ruined economies. Reclaiming rights and freedoms long denied. Everywhere from Prague to Panama City, the time had come to make a start in the difficult work of democracy-building.

It's that challenge that I want to talk about today. And it's a challenge that can engage every one of you -- because you and the institutions you represent are proof of the power of the

private sector. // Democracy prospers when it rests on the firm foundation of the free market.

Think about that. What it means is that one of the chief aims of our public policy must be to involve the private sector - - in all its diversity -- in the business of building democracy.

That's not to say that there is no work for government to do. Government-to-government aid is essential -- especially in the first days of democracy, when the institutions of free government are most fragile. / That's why I continue to urge Congress to pass our emergency aid to Nicaragua and Panama -- and that's why we've already put together aid packages for Poland and Hungary. When democracy's at stake, America always extends a hand. //

But as I've said many times, government aid alone is not the answer. / It's more than a matter of finding enough funds. It's a matter of principle -- of what we mean when we talk about building democracy.

The simple truth is this: Democracy -- and the freedoms it enshrines -- can never be a gift of government.

Earlier this year, in the State of the Union, I talked about the cornerstones of free society -- the building blocks of democracy. All the elements that make America what it is: Competition. Opportunity. Stewardship. Private investment.

Those building blocks are what make America work. More than that -- they're what make democracy work.

And they're what the newly emerging democracies of this hemisphere and in Eastern Europe need to grow and prosper. Think back to what Lech Walesa said last November, when he spoke to the AFL-CIO about the needs of the new Poland. "Such is the fate of a Polish trade unionist," he said, that "he has to launch a publicity campaign for private entrepreneurship."

Lech Walesa told the Congress he hadn't come to ask for charity. He knew -- as we know -- that we can't create democracy by writing a check. We build democracy in other nations not by taking responsibility for their needs -- but by helping them take responsibility for themselves. We build democracy whenever we help individuals take their destiny in their own hands.

Democracy puts the focus not on government -- but on the freedom of the individual. Not on the State, but on society -- the private sector. Democracy thrives in direct proportion to the flowering of individual freedom and free enterprise.

And my Administration is doing all it can to promote private sector development. The **Commerce Department** -- under Bob Mosbacher's leadership -- has opened its Eastern Europe Business Information Center, and has just hosted, with the Chamber, a conference on doing business in Eastern Europe. Carla Hills and her **USTR** team have been negotiating with the emerging democracies to open the way for expanded trade. And at Agriculture, Clayton Yeutter has led our effort to provide food aid -- and free market expertise to spearhead agricultural reforms.

But today, I want to turn the spotlight on one of the best-kept secrets in town: an agency called OPIC -- the Overseas Private Investment Corporation.

OPIC's been around since the days of the Marshall Plan. And here's a fact I know this crowd will appreciate: OPIC is one government agency that actually turns a profit. // Today, after years of being overlooked, OPIC is coming into its own -- as a key tool in our overall approach to help the world's emerging democracies sustain themselves.

We've got to be realistic. Economic growth won't come overnight. The emerging democracies of Eastern Europe have sustained four decades of economic decay. Here in our own hemisphere, years of dictatorship in Nicaragua ^{drove its economy} ~~and Panama have~~
 ~~all but driven those economies~~ into the ground -- and destroyed the basic commercial infrastructure that makes growth possible.

But with the emergence of democracy, fundamental changes are taking place. These nations are working round the clock to **jump-start their stalled economies** -- to create conditions for a **functioning free market**. And for democracy's sake -- we've got to do all we can to help this transition take place.

Let me tell you what OPIC's doing to strengthen the free market foundations of democracy in Panama. ^{Two} ~~One~~ month^s after Operation Just Cause, OPIC led an investment mission of 27 American businesspeople to meet with their counterparts in Panama. The investment agreements that came out of that 7-day

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Feb. 22

mission should lead to the direct investment of more than \$70 million dollars in Panama, and 400 new jobs.

Here's the story of one American businessman who went on that mission. A small businessman -- a shrimp farmer from Coral Gables, Florida -- named Joe Thaggard. During the days of the old regime, he struggled to keep alive a small shrimp farm in Panama. Now with the return of democracy, Joe saw a risk worth taking -- and so did OPIC. In three months' time, he has more than doubled his workers -- and now has more than 100 Panamanians on payroll. / Joe Thaggard's making the most of a good business opportunity -- and he's helping provide the people who work for him in Panama, and their families, more than just a paycheck. He's providing them a chance to build a future. //

We're looking to create the same kind of opportunities for investment in Nicaragua, where an OPIC mission is planned for early June. / And of course, beyond our own hemisphere, there is a need for this kind of private investment in Eastern Europe. // As we speak, OPIC's President, my good friend Fred Zeder, is leading an investment mission to Hungary and Poland --playing matchmaker to 30 American corporations and a far larger number of Eastern Europe's aspiring entrepreneurs.

Most of you know about the \$150 million dollar deal between General Electric and Hungary's largest electric enterprise, Tungram -- what you may not know is OPIC's leading role in making that investment possible. {And that's just a fraction of the interest generated so far: already, OPIC has received

Bad example!
Because of
new law,
Panamanian
shrimp can't
be imported
into US
because
no
turtle
excluders
on their
nets!

requests representing more than \$2 billion dollars worth of private sector investment in Hungary and Poland alone.}

The potential for growth -- and the dividends for democracy -- are both great. //

You may have heard about some of Japan's new joint ventures in Eastern Europe -- Suzuki's plan to build cars in Hungary, or Daihatsu's deal to do the same in Poland. // There's nothing **unfair** about these ventures -- just proof that one of our key competitors is engaged in a hard-nosed hunt for good opportunities in a new market.

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These people are determined -- full of hope and dreams. And now -- they're free.

And if our American example teaches anything -- it teaches that freedom is the world's most powerful force. ///

It's been a privilege to speak to all of you today. Thank you -- and may God bless the United States of America.

#

WHITE HOUSE STAFFING MEMORANDUM

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CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Winston</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Boskin</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Deland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please provide your comments/recommendations directly to Chriss Winston's office with a copy to my office by 10:00 AM THURSDAY, APRIL 26, 1990. Thank you.

RESPONSE:

This is a good speech.

I would add a para or two @ talking about USA's 8 months of growth, # of jobs created, worlds largest economy, worlds #1 exporter etc. and give credit to American business blah, blah.

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

McGroarty/Dooley
April 24, 1990
6:00 pm
[comm.90]

1990 APR 24 PM 6:16

PRESIDENTIAL REMARKS: U.S. CHAMBER OF COMMERCE
CONSTITUTION HALL
APRIL 30, 1990
9:00 A.M.

Thank you. It's always a pleasure to meet with this high-powered group. I want to acknowledge outgoing Chairman of the Chamber, John Clendenin, for the leadership he's shown this past year. / Incoming Chairman James Baker -- and no, it's not a Cabinet shake-up: I'm talking about James K. Baker -- who will carry the Chamber's fine tradition forward into this new decade. / Let me say hello to Dick Leshner, President [[-- I'm tempted to say President for Life --]] of the Chamber of Commerce. //

And finally, let me welcome our special guests -- the schoolchildren here today from all around the Washington area, right here in front. I know you've been looking forward to today for a long time. // After all, it's not every day you get to get out of math and spelling. //

I know it isn't easy to understand all the things we're talking about this morning. But there is one thing I'm sure you can understand. **You're here because you are important** -- because when you grow up, you might just run your own business, like the people here. Or maybe you'll even run for President -- and believe it or not, I was once 7 years old, just like you are now. // So today I want to challenge all of you: keep working hard in school. Do your very best. // And I want to challenge

*think the Pres
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Think about that. What it means is that one of the chief aims of our public policy must be to involve the private sector - - in all its diversity -- in the business of building democracy.

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the business of

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These people are determined -- full of hope and dreams. And now -- they're free.

And if our American example teaches anything -- it teaches that freedom is the world's most powerful force. ///

It's been a privilege to speak to all of you today. Thank you -- and may God bless the United States of America.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/25/90 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 AM 4/26/90

SUBJECT: PRESIDENTIAL REMARKS: US CHAMBER OF COMMERCE

	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 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"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Rogers</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Winston</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Pinker ten</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Boskin</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>DeLand</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please provide your comments/recommendations directly to Chriss Winston's office with a copy to my office by 10:00 AM THURSDAY, APRIL 26, 1990. Thank you.

RESPONSE:

*Good
mining
comments
AJ*

90 MAR 26 4 49:44

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

McGroarty/Dooley
April 24, 1990
6:00 pm
[comm.90]

1990 APR 24 PM 6:16

PRESIDENTIAL REMARKS: U.S. CHAMBER OF COMMERCE
CONSTITUTION HALL
APRIL 30, 1990
9:00 A.M.

Thank you. It's always a pleasure to meet with this high-powered group. I want to acknowledge outgoing Chairman of the Chamber, John Clendenin, for the leadership he's shown this past year. / Incoming Chairman James Baker -- and no, it's not a Cabinet shake-up: I'm talking about James K. Baker -- who will carry the Chamber's fine tradition forward into this new decade. / Let me say hello to Dick Leshner, President [[-- I'm tempted to say President for Life --]] of the Chamber of Commerce. //

And finally, let me welcome our special guests -- the schoolchildren here today from all around the Washington area, right here in front. I know you've been looking forward to today for a long time. // After all, it's not every day you get to get out of math and spelling. //

I know it isn't easy to understand all the things we're talking about this morning. But there is one thing I'm sure you can understand. **You're here because you are important** -- because when you grow up, you might just run your own business, like the people here. Or maybe you'll even run for President -- and believe it or not, I was once 7 years old, just like you are now. // So today I want to challenge all of you: keep working hard in school. Do your very best. // And I want to challenge

*How old
are these
kids?*

the Chamber of Commerce as well. Keep up your crusade for excellence in education. Help us make that classroom **a place where miracles happen.** ///

John Clendenin mentioned a few moments ago the whirlwind of change we've seen this past year. Last year, I spoke to you on May 1 -- May Day -- by tradition one of the great days of celebration in the socialist world. I said then that even the socialist world was coming to see that socialism wasn't just another economic system -- it was the death of economics.

That much was clear. What none of us could see on the eve of May Day '89 was how close we had come to the wholesale collapse of communism.

First in Poland, then across Eastern Europe -- one nation after another broke the stranglehold of the State, and embraced democracy. Here in our own hemisphere, in Panama and Nicaragua, the day of the dictator gave way to the ^{decade} triumph of democracy. //

These transforming events brought freedom to tens of millions of people. And with that freedom, new challenges. Digging out from under the wreckage of ruined economies. Reclaiming rights and freedoms long denied. Everywhere from Prague to Panama City, the time had come to make a start in the difficult work of democracy-building.

It's that challenge that I want to talk about today. And it's a challenge that can engage every one of you -- because you and the institutions you represent are **proof of the power of the**

private sector. // Democracy prospers when it rests on the firm foundation of the free market.

Think about that. What it means is that one of the chief aims of our public policy must be to involve the private sector - - in all its diversity -- in the business of building democracy.

That's not to say that there is no work for government to do. Government-to-government aid is essential -- especially in the first days of democracy, when the institutions of free government are most fragile. / That's why I continue to urge Congress to pass our emergency aid to Nicaragua and Panama -- and that's why we've already put together aid packages for Poland and Hungary. When democracy's at stake, America always extends a hand. //

But as I've said many times, government aid alone is not the answer. / It's more than a matter of finding enough funds. It's a matter of principle -- of what we mean when we talk about building democracy.

The simple truth is this: Democracy -- and the freedoms it enshrines -- can never be a gift of government.

Earlier this year, in the State of the Union, I talked about the cornerstones of free society -- the building blocks of democracy. All the elements that make America what it is: Competition. Opportunity. Stewardship. Private investment.

Those building blocks are what make America work. More than that -- they're what make democracy work.

And they're what the newly emerging democracies of this hemisphere and in Eastern Europe need to grow and prosper. Think back to what Lech Walesa said last November, when he spoke to the AFL-CIO about the needs of the new Poland. "Such is the fate of a Polish trade unionist," he said, that "he has to launch a **publicity campaign for private entrepreneurship**."

Lech Walesa told the Congress he hadn't come to ask for charity. He knew -- as we know -- that **we can't create democracy by writing a check**. We build democracy in other nations **not** by taking responsibility for their needs -- but by helping them take responsibility **for themselves**. We build democracy whenever we help individuals take their destiny in their own hands.

Democracy puts the focus **not on government** -- but on the **freedom of the individual**. Not on the **State**, but on **society** -- **the private sector**. **Democracy thrives in direct proportion to the flowering of individual freedom and free enterprise**.

And my Administration is doing all it can to promote private sector development. The **Commerce Department** -- under Bob Mosbacher's leadership -- has opened its Eastern Europe Business Information Center, and has just hosted, with the Chamber, a conference on doing business in Eastern Europe. Carla Hills and her **USTR** team have been negotiating with the emerging democracies to open the way for expanded trade. And at Agriculture, Clayton Yeutter has led our effort to provide food aid -- and free market expertise to spearhead agricultural reforms.

But today, I want to turn the spotlight on one of the best-kept secrets in town: an agency called OPIC -- the Overseas Private Investment Corporation.

OPIC's been around since the days of the Marshall Plan. And here's a fact I know this crowd will appreciate: OPIC is one government agency that actually turns a profit. // Today, after years of being overlooked, OPIC is coming into its own -- as a key tool in our overall approach to help the world's emerging democracies sustain themselves.

We've got to be realistic. Economic growth won't come overnight. The emerging democracies of Eastern Europe have sustained four decades of economic decay. Here in our own hemisphere, years of dictatorship in Nicaragua and Panama have all but driven those economies into the ground -- and destroyed the basic commercial infrastructure that makes growth possible.

But with the emergence of democracy, fundamental changes are taking place. These nations are working round the clock to jump-start their stalled economies -- to create conditions for a functioning free market. And for democracy's sake -- we've got to do all we can to help this transition take place.

Let me tell you what OPIC's doing to strengthen the free market foundations of democracy in Panama. One month after Operation Just Cause, OPIC led an investment mission of 27 American businesspeople to meet with their counterparts in Panama. The investment agreements that came out of that 7-day

mission should lead to the direct investment of more than \$70 million dollars in Panama, and 400 new jobs.

Here's the story of one American businessman who went on that mission. A small businessman -- a shrimp farmer from Coral Gables, Florida -- named Joe Thaggard. During the days of the old regime, he struggled to keep alive a small shrimp farm in Panama. Now with the return of democracy, Joe saw a risk worth taking -- and so did OPIC. In three months' time, he has more than doubled his workers -- and now has more than 100 Panamanians on payroll. / Joe Thaggard's making the most of a good business opportunity -- and he's helping provide the people who work for him in Panama, and their families, more than just a paycheck. He's providing them a chance to build a future. //

We're looking to create the same kind of opportunities for investment in Nicaragua, where an OPIC mission is planned for early June. / And of course, beyond our own hemisphere, there is a need for this kind of private investment in Eastern Europe. // As we speak, OPIC's President, my good friend Fred Zeder, is leading an investment mission to Hungary and Poland --playing matchmaker to 30 American corporations and a far larger number of Eastern Europe's aspiring entrepreneurs.

Most of you know about the \$150 million dollar deal between General Electric and Hungary's largest electric enterprise, Tungram -- what you may not know is OPIC's leading role in making that investment possible. {And that's just a fraction of the interest generated so far: already, OPIC has received

requests representing more than \$2 billion dollars worth of private sector investment in Hungary and Poland alone.}

The potential for growth -- and the dividends for democracy -- are both great. //

You may have heard about some of Japan's new joint ventures in Eastern Europe -- Suzuki's plan to build cars in Hungary, or Daihatsu's deal to do the same in Poland. // There's nothing **unfair** about these ventures -- just proof that one of our key competitors is engaged in a hard-nosed hunt for good opportunities in a new market.

I've said it before and I'll say it now: American business can out-think, out-work, and out-perform any nation in the world. **But we can't beat the competition if we don't get in the game.** // If American business wants to keep ahead of the competition, the time to act is now. //

Government must act too -- to help energize the private sector. // Today, I'm announcing today the formation -- under OPIC's auspices -- of two growth funds. Magnets for the kind of investment capital that can create growth and responsible development in these new democracies I've been talking about, and around the world.

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It's been a privilege to speak to all of you today. Thank you -- and may God bless the United States of America.

#

THE WHITE HOUSE

WASHINGTON

April 26, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM:

JIM PINKERTON

SUBJECT:

US Chamber of Commerce Draft

pg. 1, para. 1, line 7 "Let me say hello to Dick Leshner, President [[-- I'm tempted to say President for Life --]] of the Chamber of Commerce."

Because some could infer from "President for Life" that Leshner is autocratic or has held his job too long, we suggest deleting the bracketed phrase.

7,3,1 "You may have heard about some of Japan's new joint ventures in Eastern Europe -- Suzuki's plan to build cars in Hungary, or Daihatsu's deal to do the same in Poland. There's nothing unfair about these ventures -- just proof that one of our key competitors is engaged in a hard-nosed hunt for good opportunities in a new market."

This is a very deft touch: it upholds the critical principle of free trade, expresses confidence in our own competitive abilities, takes a subtle dig at the Gephardist (and 7th-grader) epithet "unfair," and yet does so without getting too far out in front of the public.

7,5,2 "Today, I'm announcing today..."

We suggest deleting the second "today."

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90 MAR 26 12:14

Faxed to David 4/25/90

Document No.

135405

WHITE HOUSE STAFFING MEMORANDUM

APR 25 1990

CEQ

DATE: 4/25/90

ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 AM 4/26/90

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SUNUNU	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Winston</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Pinkerton</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Boskin</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Deland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please provide your comments/recommendations directly to Chris Winston's office with a copy to my office by 10:00 AM THURSDAY, APRIL 26, 1990. Thank you.

RESPONSE:

No comments.

CEQ.

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

David S. Strubbe
MAR 25 1990 4:49 PM

X3742

McGroarty/Dooley
April 24, 1990
6:00 pm
[comm.90]

1990 APR 24 PM 6:16

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