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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: 13539
Folder ID Number: 13539-011

Folder Title:
Address to Joint Session of Congress 9/11/90 [OA 5376] [4]

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September 4, 1990
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PRESIDENTIAL ADDRESS TO A JOINT SESSION OF CONGRESS
TUESDAY, SEPTEMBER 11, 1990

Mister President, Mister Speaker, Members of the Congress,
distinguished guests, fellow Americans, thank you:

This Joint Session is a departure from tradition. ~~A~~
~~President usually addresses Congress after an election, when the~~
~~dust has settled and an era of partisan good feelings prevails.~~

But tonight we gather, Republicans and Democrats, left, right and
center, before an election, in a political season. And in such a
season, every aspect of our politics is metaphor for war: we
speak of sending volunteers "out into the field"; we speak of
campaigns and the fight to the finish.

Well, tonight thousands of young Americans face the prospect
of a real fight, in a real battle campaign, in a field of sand,
barren and hot as hell.

So I am sure each and every Member will agree: If there ever
was a time to put country before self, and patriotism before
party, that time is now.\\\

We are reminded that there are far greater risks and
sacrifices than any we are called to make in Washington. I
recently read of a Marine Master Sergeant from Oceanside,
California, a self-described "old war horse" who served in
Vietnam. But this same seasoned veteran is also a single father

who says that the toughest moment in a Marine's life is leaving his kids behind. Such partings, in his words, are "like opening up your chest and pulling out your heart." \\

So when we stop to think that these valiant men and women in our Armed Services volunteered to be ready at a moment's notice, to leave their comfortable posts and careers, their spouses, their children, to put themselves on the front-line half-way around the world, then we know who keeps America great.\\ They do.\\

Let us also return a salute to the military leaders with us tonight -- the first-class professionals of the Joint Chiefs of Staff. General Powell, Chiefs, what a magnificent job you have done.\\ The response of the United States Armed Forces over the past few weeks has been nothing short of heroic.\\

And these are times that demand heroes, American men and women with the lasting courage to endure a lengthy test of wills with an outlaw regime.

I say "outlaw," because Saddam Hussein began his apprenticeship in terrorism twenty years ago. And his vocation today is still terrorism. He misled his Arab brethren, brutalized a peaceful and helpless neighbor, and then withdrew from an indignant world to hide behind a circle of innocents.

Iraqi propagandists say we are at odds with their government to obtain cheap oil. They are wrong. This is not about the price of gasoline. It is about the price of peace.\\

If the twentieth century has taught us anything, it is this:
 When small nations become the souvenirs of tyrants; when innocents are held hostage; when world commerce and diplomacy are held up at gunpoint, ^{ASSAULTED} America ^{will not be an} cannot afford to be an idle observer. ^{This} ^{ACT} America will respond.\\\

We have also learned something else: There is a great opportunity in such a crisis -- a precious chance to create a new world order, a secure and peaceful world for decades to come. Think about it. For much of the last forty-five years, many nations followed lines of power radiating from one of two opposite poles -- Washington or Moscow. Now, at long last, we can declare that the Cold War competition between the superpowers is at an end. When the Soviet Union joined with us in condemning aggression, then I knew: ^{At the United Nations} The Cold War is over.\\\

But, like a receding tide, the ebbing of the Cold War has revealed a forgotten landscape, a landscape of ancient animosities and ambitions.

In such a world, great rivals can become great partners.

That is why we are so grateful that the major powers that make up the United Nations Security Council have passed five resolutions opposing Iraq. That is why we are so heartened that Arab soldiers from Damascus to Cairo, from Mecca to Marrakesh, and nations as diverse as Norway and Bangladesh, have stood up to in defiance to Iraqi aggression.

We are deeply impressed by one thing more -- the responsible statesmanship shown by the Soviet Union.

BOTTOM OF 4

~~some~~ certain principles:
VISION of a world where
~~superpowers~~ free from
strong pursuit
justice

~~I discussed this vision of~~ ⁴ ~~This vision~~
~~The hopes I discussed tonight,~~ I ~~shared~~ ^{shared} with President

Gorbachev two days ago in Helsinki. For almost half-a-century, superpower competition has fanned the flames of local conflict. But in Helsinki, we agreed to work together, to work for a new world where all the ^{MAJOR} ~~great~~ powers act, not as arsonists, but as fire-fighters.\\

And we agreed on one thing more. Iraq is an outlaw in the world community.\\ And the ^{BRASER} ~~naive~~ aggression of this outlaw will not stand.\\

America's objectives are clear and unchanging: Iraq must withdraw from Kuwait completely, unconditionally, restoring the legitimate government of Kuwait.\\ The security and stability of Saudi Arabia must be assured.\\ The risk of future terrorist aggression must be reduced.\\ ^(we're going to protect) And American citizens and American interests ^{Approach} ~~must be respected~~.\\

For the moment, no concert of nations can be effective without the world's number one economic and military power. That is why the world looks first to America for leadership. And lead she will.\\

I know there are some who will question America's staying power. I do not know how long it may take for international sanctions to work. And we all know better than to predict whether Saddam Hussein will be so unwise as to compound his provocation. How long American troops stay in the Gulf depends, to some extent, on Iraq. But I do know this:

America must support the rule of law. And we will.\\

America -- and the international community -- must defend innocent countries against aggression. **And we will.**

America has set a course, and America will follow it.

And one thing more\\ . . . America will never give in to blackmail.

There is, of course, a price for resolve. American lives have already been lost. Additional lives will be lost if military conflict breaks out. Even if it doesn't, the economic costs will be steep.

But we must avoid the greatest cost of all -- the cost of doing nothing. No one doubts that left unchallenged, Saddam Hussein could dictate the world price of oil. No one doubts he would advance his ambitions by weapons of mass destruction. But this is not about oil or one's man's ambition: This is the first assault on the post-Cold War world, the first test of our mettle. If we do not respond to this first provocation; if we do not repel it; we will send a signal to a half-dozen despots around the world. ~~And the result will be more wars and chaos for the world.~~ **We will not give the green light to aggression.**

So even as we try to keep the costs of Operation Desert Shield to a reasonable minimum, **we will not discount American leadership.**

The price of oil is already up. This will take its toll on the economy. But it need not throw us into deep recession.

After all, we are working with oil-producing countries to replace lost Iraqi and Kuwaiti production. Their help, with the

option of the Strategic Petroleum Reserve, if necessary, can keep oil prices from rising to levels that would hurt the economy. In fact, oil prices may, in time, start coming down.

Our military deployment is another huge expense. We have developed a plan to share this cost -- and the cost of other nation's economic burdens -- among those allies who can afford to finance our collective action. So I have dispatched top Cabinet officials to tell our allies this: At the very most, we encourage collective action; at the very least we expect a sharing of the collective burden.\\

But financial responsibility should begin at home. The effects of higher oil prices, slower growth, and higher defense costs will only make our fiscal deficit problem worse. It was already worse than it should have been -- at a projected \$232 billion for the coming year. This, too, cannot stand.\\

The Congress should act this very month -- before the next fiscal year begins -- to get our economic affairs in order. If anyone needs an another reason to act, look no further than the evening news. We are more vulnerable economically than we should ever be. American must never again enter a crisis -- economic or military -- with an excessive dependence on foreign oil and an embarrassing burden of federal debt.\\

Most Americans are fed up with endless turf battles between the Congress and the Administration over economic policy. It is time for us to pull together -- and get the job done right.\\

That job has five necessary goals.

First: Our tax code penalizes growth. The Congress should, this month, enact tax measures that propel growth -- to help avoid recession in the short term; and to increase savings, investment, productivity, and competitiveness for the long term. I ask you to extend incentives for research and experimentation; expand the use of IRAs for new homeowners; establish tax-deferred Family Savings Accounts; create incentives for the development of Enterprise Zones; and yes, reduce the tax rate for capital gains.\\\

Second: The Congress should, this month, enact a prudent five-year defense program -- one that reflects both improved East-West relations, and the continuing risks of outlaw action and regional conflict, so vividly brought home to us by Iraq. Some cuts should be made, even after including the costs of our Persian Gulf deployment. Over five years, defense outlays can be reduced below the baseline by ((dollar amount)) billion. But beyond that, one crosses a line that threatens a vital margin of safety. Given my Constitutional obligation as Commander-in-Chief, that is a line I cannot cross.\\\

The world is still a dangerous place, where regional instability can flair up into global conflict. I will not trifle with our ability to protect America's vital interests.\\\

Third: The Congress should, this month, enact measures to increase domestic energy production and energy conservation -- so we can cut our dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and

gas exploration, and to accelerate the development of Alaskan energy resources. ((Other measures to come.))

Fourth: The Congress should, this month, enact a five-year program to reduce the projected deficits and debt by \$500 billion -- yes, you got that right -- by half-a-trillion dollars. If Congress presents me with an acceptable program by the end of this month, America will avoid the clumsy meat-ax approach called the "sequester" -- deep across-the-board cuts that would undermine our soldiers in Saudi Arabia, and inflict needless pain at home.

I also ask that Congress present this comprehensive, five-year deficit reduction program to me as a single legislative package -- with associated measures to assure that it can be fully enforced. The American people are tired of phony deficit reduction, tired of the promise-now, save-later-plan. Enough is enough. It's time for a program that is not cynical, but credible.\\\

Fifth, and finally: The combination of these legislative actions should allow the Federal Reserve to ease interest rates - - in a setting of economic growth, without greater inflation. I have discussed my proposals in detail with the members of the Budget Summit. And I have also discussed it with Fed Chairman Alan Greenspan. And he assures me that if Congress acts promptly, so will the Fed.

Our deficit reduction program must meet a few basics:

***** It must be responsible:** So our plan includes the measures I've recommended to increase economic growth and reduce dependency on foreign oil.\\\

******* About one-third of our savings can come from defense, one-third from domestic spending programs, and one-third from revenue measures. So that no group of programs or people escapes responsibility, or bears the burden alone, it must be fair.

******* In order that it reaches beyond the visible parts of the budget and begins to control the government's expanding credit programs and hidden liabilities, it must be comprehensive.\\\

***** It must be in the spirit of reform:** So our program reforms the budget process to provide some of the tools that have allowed many governors to keep state budgets under control -- like "pay-as-you-go" requirements and the line-item veto.\\\

***** It must be enforceable.**

******* And, to the extent that it includes new revenues measures -- which it does -- it must not threaten economic growth by raising income taxes.\\\ I know there are some who are anxious to raise income-tax rates. But experience teaches us that a big income-tax hike is the surest road to a deep recession. And that is one path we must not go down.\\\

To the Congressional members of the Budget summit, you remember my first call for negotiations many months ago. The negotiations have already dragged on weeks and months too long. I have already taken the personal risk demanded of me, and so

have others. Now America expects leadership -- not on the editorial page, or on the Sunday morning talk shows. But here, in these chambers, this month.\\\

I hope the Summit leaders will agree to my plan. But with or without their agreement, I ask both Houses of Congress to allow a **straight-up-and-down vote** on my comprehensive package -- no later than September 28th.\\\

If the Congress fails to enact my compromise package, Americans will have to face sequester, a greater risk of recession and greater military risks to Americans abroad. If, on the other hand, the Congress responds favorably, we will, at last, have put ourselves on the right course.

These are challenging times, at home and abroad. Challenges that seem separate, but will set the course of our common destiny. America's destiny is to be a leader, whether it is living up to our global duties, or tackling the most intractable problems at home.

I am hopeful. At this very moment, the sons and daughters of America stand shoulder-to-shoulder in the sea-like, pathless wastes of the desert with the sons of Arabia, the sons of Europe, the sons of many lands. If they can come together under such adversity, surely we who are so fortunate, so comfortable, can come together to fulfill our responsibility here.\\\

((Anecdote about troops))

At this moment, our hopes and prayers are with them, each and every one of them, as another day dawns in the Persian Gulf.

Thank you, and may God bless our brave men and women in the
Middle East, every one.

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PRESIDENTIAL REMARKS: ADDRESS TO JOINT SESSION OF CONGRESS
U.S. CAPITOL
SEPTEMBER 11, 1990
9:00 P.M.

Mr. President, Mr. Speaker, Members of the Congress,
distinguished guests, fellow Americans, thank you.

We gather here this evening while brave members of the armed forces of the United States stand in harms way -- side by side with the armed forces of more than twenty other nations, in the distant desert and on distant seas. They are there and we meet here, in the aftermath of an outrage: Iraq's invasion, then occupation, of Kuwait.

Our response has been firm and clear, as it must be in times like these. And times like these also remind us of far greater risks and sacrifices than any we are called to make in Washington. It is the men and women of our armed forces, all volunteers to service, who leave their posts and careers, their families and loved ones, to meet this challenge halfway around the world.

On behalf of all Americans, I want to express our deepest thanks to those who keep America safe and who make America great.

Let us also return a salute to the military leaders with us tonight -- the first-class professionals of the Joint Chiefs of Staff. General Powell, Chiefs, what a magnificent job you have done.

The response of all the men and women of the United States Armed Forces over the past few weeks has been nothing short of heroic.

In the face of danger, they are brave. In trying circumstances, their morale is excellent. Helping to keep the world free from further aggression, they make us all proud.

I wish I could say [✓]heir work is done. But we all know it isn't.

And, let me also thank you all -- Democrats, Republicans, and independents alike -- and all Americans -- for your unity of purpose, and for your support of our actions in the face of aggression.

My purpose tonight is to talk to you about what is at stake, what we are doing and why. I also want to point out what we must do to prevail -- not just abroad, but here at home as well. For foreign policy and domestic policy are not distinct. We are one people, with a broad set of interests to be served by our foreign and domestic policies.

Our objectives are clear, our goals defined and familiar:

- o Iraq must withdraw from Kuwait completely, immediately, and without condition.
- o Kuwait's legitimate government must be restored.
- o The security and stability of the Persian Gulf must be assured.
- o And, American citizens and interests must be protected.

I want to say at the outset that these objectives are not ours alone. ^{MAM} Other countries share our concern for principle. ^{Most} Other countries have a stake in Persian Gulf stability. And ^{ALL} ~~most~~ All other countries share ^{our} the heartfelt concern for their men, women, and children held hostage. It is not Iraq against the United States. It is Iraq against the world.

I come before you tonight having just returned from Helsinki, from ~~my~~ very productive meetings with Soviet President Gorbachev. Our joint statement underscores our mutual commitment to counter this threat to peace.

This public declaration is truly an historic venture. Just imagine how different this crisis would be if, as in decades past, a dictator like Saddam has been able to count upon the Soviet Union and East-West confrontation to inhibit an international response to his aggression. Try to conceive of what we and our allies would now face if the machinery of the United Nations were still disrupted by the divisions of the Cold War.

one
1st
persons

Dramatize
Signal to
Hussein/
GIVE GORB
SOME CREDIT

PRAISE
UN/
de Chaulay

DRAMA?

But, ladies and gentlemen, the Cold War is over. And in this crisis -- as grave as it is -- we see the chance to craft the framework of a new world order. One in which the cooperative mutual interest of countries East and West -- North and South -- can be realized. President Gorbachev understands that how we -- together with others -- manage this crisis will speak volumes about our ability to make the international system of the future different from those of the past. The test we face is great --

and so are the stakes -- for we seek a community of international responsibility. A new world: One in which the rule of law flourishes and in which no state can count on naked aggression for its own selfish unilateral gain. A new world in which nations recognize the responsibility we all share for freedom and justice. A lasting and effective partnership of nations where, as Woodrow Wilson said, "There must be not a balance of power, but a community of power; not organized rivalries, but organized peace." Those are the stakes, and that is the vision threatened by Saddam Hussein's brutal invasion.

What lies behind these objectives?

A vital issue of principle is at stake. We cannot allow the rule of law to be overwhelmed and replaced by the law of the jungle. Might cannot be allowed to make right. If we want the precedent of this first post-Cold War crisis to have meaning -- it must drive home that message.

Vital economic interests are at risk. Iraq itself controls some 10% of the world's proven oil reserves. Iraq plus Kuwait controls twice that. Moreover, an Iraq permitted to hold on to Kuwait would have the economic and military power as well as the arrogance to intimidate and in the end coerce its neighbors who control the lion's share of the remaining oil reserves, in the world. We cannot permit a resource so vital to the entire world to be dominated by so ruthless and unprincipled a power.

What is also at issue is American credibility and reliability. It has become fashionable in some quarters to speak

of American decline and the end of American leadership. But for any who subscribed to this notion, recent events have surely proven otherwise. As we have seen, there is no substitute for American leadership. And our willingness and capability to act is a bulwark against the forces of anarchy that could otherwise threaten the peace of the world. *unique responsibility*

Finally, what this is all about is nothing less than the shape of the world to come. This is truly the first crisis of the post-Cold War era. So it is essential that we hold true to certain principles if we wish to see them established as precedents in a new world order. Restraint, the rule of law, collective security -- we should not and cannot allow the reduced possibility of superpower conflict to be replaced by a new threat of conflict from power-hungry regional powers such as Iraq. With power comes obligation and responsibility. Saddam Hussein must learn this fundamental truth.

(Saudi tank)
Our response has been clear from the very outset. Following on Iraq's August 2 invasion of Kuwait and acting hand in hand with others, we have sought to fashion the broadest possible international response to the Iraqi challenge. And we have succeeded.

Immediately following the invasion of Kuwait, American forces, and those of a host of nations, moved to the protection of Saudi Arabia. We are there at the request of King Fahd to deter an Iraqi attack and, if need be, to defend against one. Today soldiers from [Damascus and Cairo, Marrakech and Bangladesh,

DZ -
11/27 AM Council
DOTUS: Arab ?
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Don't leave
anyone out

yesterday, I talked to three
leaders, all say sanctions are
crucial to Saddam's effort.

Los Angeles and London stand shoulder-to-shoulder. What brings these Muslims and non-Muslims, Arabs and non-Arabs together is resolute opposition to Saddam's aggression and aims.

In the United Nations, we can now point to five Security Council resolutions that condemn Iraq's aggression, call for immediate and unconditional Iraqi withdrawal from Kuwait, and call for the restoration of Kuwait's legitimate government. The United Nations has also specifically rejected Iraq's cynical and self-serving attempt to annex Kuwait. The United Nations has demanded too that Iraq release all the foreign nationals held hostage against their will and in contravention not only international law but of human decency itself.

Just as important, the United Nations has backed up its words with action. The Security Council has imposed mandatory economic sanctions on Iraq, designed to force Iraq to disgorge the fruits of its aggression. The Security Council has also taken the decisive step of endorsing the use of all means as may be necessary to ensure that these sanctions are complied with. Together with our allies, ships of the United States Navy are today patrolling to see that they are. Voluntary compliance with sanctions is excellent. We continue to hope that Iraq's leaders will recalculate just what their aggression has on balance cost them. Because of the sanctions, they can sell none of their oil. And they can import but a tiny fraction of goods.

We continue to hope that these sanctions will work as intended.

Our policy also has a major economic dimension. I have just heard from Secretary of State Baker and from Secretary of the Treasury Brady. Each travelled the world at my request to underscore the necessity that the costs and burdens of this collective military effort be shared. It is also essential that countries complying with sanctions be compensated to prevent severe economic hardship. We are prepared to do our fair share; we are asking others to do the same.

I am pleased to be able to report that the response of our friends and allies has been positive. ^{the countries most affected} From the leaders of Saudi Arabia, Kuwait and the United Arab Republic ^{emirates} we received pledges to provide American troops with all the ^{military support} food and fuel they need. Assistance will also be provided in large amounts to ~~the~~ ^{STALWART} front-line states such as Turkey and Egypt.

There is also an energy-related cost to be borne as well. But we are hard at work with oil-producing nations to replace lost Iraqi and Kuwaiti output. More than half of what was lost has already been made up. It we continue steps to expand production, we can minimize any price increases. As I have pointed out before, reasonable conservation efforts and responsible oil company behavior are necessary complements to this effort. And we and several of our allies always have the option to extract oil from our strategic petroleum reserves if conditions warrant.

In 2 days, I will send Congress - energy proposals - I will continue to resist any further high prices
no profiteering

The goal of all I have outlined is to convince Saddam Hussein to withdraw from Kuwait. I cannot predict just how long

it will take us to prevail. Our policy is now in place, and sanctions may take time to have their intended effect.

~~What I can tell you is that we will stick with the current policy so long as the evidence suggests it is working.~~ If the evidence begins to suggest otherwise, then we will look at the alternatives. Again, what is certain is that we will not let this aggression by Iraq stand.

As we said included w/ sanctions "If quote sanctions don't work - something else!"

However we do succeed, and we will, the challenge to our vital interest in the region will not have ended.

While our troops while a home every medium of living our troops have. The moment we can foresee as

~~the United States in assisting the nations of the Persian Gulf, in deterring future aggression, in helping our friends in their own self-defense, and in curbing the proliferation of chemical, biological, missile and above all nuclear technologies.~~ What we do specifically will be a matter to be determined, depending upon the threat and what we and our friends agree to. But let me make clear that our stake in the Gulf is not passing. Both our interest and our involvement predated Saddam Hussein's aggression, and both will survive it.

Synthesize from above

Let me also make clear that the United States has no quarrel with the Iraqi people. Our quarrel is with ^{a major} Saddam Hussein's aggression, with ^{JA-US-ARAB LEAGUE} its aggression, and with its leadership. ALL STANDING AGAINST AGGRESSION.

America will not give into blackmail. (now we would)

I want to make sure that everyone in Iraq understands this, and hope I have the opportunity to speak directly to the Iraqi people later this week over their television. My message is simple. ~~SADDA~~ STET Iraq must withdraw from Kuwait. Iraq will not be permitted to annex Kuwait. The use of force by Iraq to achieve

Let me give you a message - not just from US / BUT U.N. - MOST ARAB LEAGUE -

its ambitions is unacceptable. No one in Iraq should doubt our determination, our resolve or our ability to translate these words into fact. This is not a threat or a boast, just the truth.

I also want to use this occasion to say some things to the American people. Our ability to function effectively as a great power abroad depends directly upon how we conduct ourselves here at home. Our economy, our armed forces, our energy dependence, and our cohesion will all determine whether we are in a position to help our friends and stand up to our foes.

In order for America to lead, America must be strong and vital. Our world leadership and domestic strength are not separate domains -- they are mutual and reinforcing; they are a woven piece, as [~~firmly bound~~] as Old Glory.

We must get our economic house in order at home if we are to have the capacity to promote international order abroad. To provide that capacity we must address our budget deficit now -- not after election day, or next year, but in fact now. It is time we pull together -- and get the job done right.

We should act this very month -- before the next fiscal year begins -- to permanently cut the budget deficit. If anyone needs an additional reason for action, surely the Iraqi situation can help focus the mind. We are more vulnerable economically than we should be. Americans must never again enter any crisis -- economic or military -- with an excessive dependence on foreign oil and an excessive burden of Federal debt.

Let me tell you what that job is. It has five basic parts.

First: We should, this month, enact growth-oriented tax measures -- to help avoid recession in the short term; and to increase savings, investment, productivity, and competitiveness for the longer term. One such measure already has the support of bipartisan majorities in both the House and Senate: The capital gains rate cut. And it is time we put its investment and job-creating power to work.

Second: We should, this month, enact a prudent five-year defense program -- one that reflects both the improvement in East-West relations, and the continuing risks of outlaw action and regional conflict, as represented most vividly now by Iraq. Even with Iraq, the defense budget can decline in real terms. But beyond a certain point, one crosses a line that threatens our nation's margin of safety. Given my Constitutional obligation as Commander-in-Chief, that is a line I cannot cross.

The world is still dangerous. Surely that is now clear. Stability is not secure. American interests are far-reaching. Inter-dependence has increased. The consequences of regional instability can be global. this is no time to reduce America's capacity to protect her vital interests.

Third: We should, this month, enact measures to increase domestic energy production and energy conservation -- in order to reduce dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and gas exploration, and to accelerate the development of Alaskan energy

resources. In addition, new measures, including tax measures (if any), to be incorporated here.

Since the oil embargo of the early 1970's our reliance on foreign oil has not decreased -- it has grown. We have moved in the wrong direction. Now we must act to correct that trend -- so that our vulnerability does not increase again.

Fourth: We should, this month, enact a five-year program to reduce the projected deficits and debt by \$500 billion -- that is, by half-a-trillion dollars. If Congress presents me with a satisfactory program by the end of the month, that would be in time to avoid the clumsy axe of "sequester" -- deep across-the-board cuts that would otherwise threaten our military capacity and risk substantial domestic disruption.

I ask, further, that Congress present the comprehensive, five-year deficit reduction program to me as a single legislative package -- with associated measures to assure that it can be fully enforced. The American people are tired of phoney deficit reduction on the promise-now-save-later-plan. Enough is enough. It's time for a program that is credible and real.

Fifth, and finally: The combination of these legislative actions should allow the Federal Reserve to facilitate a substantial reduction in interest rates -- in a context of economic growth, without increased inflation. I have discussed by proposed program in detail with the Chairman of the Federal Reserve Board, Alan Greenspan. He assures me that if Congress

acts promptly to enact the program I am recommending here tonight, he will then (. . .)

In addition to discussing this program with the Chairman of the Federal Reserve, I have today provided it -- in detail -- to the members of the Budget Summit negotiating group.

My deficit reduction program has these basic characteristics -- as any acceptable program must:

- o It includes the measures I've recommended to increase economic growth and reduce dependence on foreign oil.
- o It is balanced. The burden of contributions is not excessive to any one group of programs or people. About one-third of the savings come from defense, one-third from domestic spending programs, and one-third from revenue measures.
- o It reaches beyond the visible parts of the budget and begins to control the government's expanding credit programs and hidden liabilities.
- o It reforms the budget process to provide some of the tools that have allowed many governors to keep state budgets under control -- like "pay-as-you-go" requirements and line-item veto.
- o It is enforceable.
- o And, to the extent that it includes new revenue measures -- which it does -- it avoids any measure that might threaten economic growth or raise people's income tax rates. I know there are some who are anxious to

raise income tax rates. But that is one path we should not head down again.

To the congressional members of the Budget Summit, I say: I first called for negotiations many months ago. The negotiations have already dragged on too long. I have compromised, and compromised again. Some others have, as well. The plan I offer tonight is a further compromise that should, at last, bring us together. I hope to persuade you of its merit in this coming week.

My plan will not fully satisfy any of us. But it will do the job that needs to be done. And now: it is time to produce.

I hope the Summit leaders will agree on this plan. But with or without agreement, I ask both Houses of the Congress to allow a straight up-or-down vote on my comprehensive package -- not later than September 28th.

If the Congress fails to act, Americans will then have to face sequester: mandated spending reductions with all the national discomforts those entail. We would also be running real risks in terms of our national economy. If, on the other hand, the Congress responds to the challenge, we will, at last, have put ourselves on the right course here at home.

In the final analysis, our ability to meet our responsibilities abroad depends upon political will and consensus at home. This is never easy in democracies where we govern only with the consent of the governed. And free people in a free society are bound to have their differences. But when the stakes

have been as great as the stakes we now see, and when the principles are as clear as those we see today, Americans have traditionally come together. The sacrifices each of us in this chamber are called upon to make are political. These are not inconsequential sacrifices. But they are nothing compared to the sacrifices being made, as to speak, by our men and women in uniform.

I am hopeful. Once again, Americans have stepped forward to do their duty. They have shared a tearful goodbye with their families before leaving for a strange and distant shore. At this very moment, they stand together with Arabs, Europeans, and others in defense of principle -- doing what is right. If they can come together under such adversity, surely we who are so fortunate as to be in this great chamber -- Democrats, Republicans, liberals, conservatives, moderates -- can come together to fulfill our responsibilities here.

Thank you, good night, and God bless America.

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PRESIDENTIAL REMARKS: ADDRESS TO JOINT SESSION OF CONGRESS
U.S. CAPITOL
SEPTEMBER 11, 1990
9:00 P.M.

Mr. President, Mr. Speaker, Members of the Congress,
distinguished guests, fellow Americans, thank you.

We gather here this evening while brave members of the armed forces of the United States stand in harms way -- side by side with the armed forces of more than twenty other nations, in the distant desert and on distant seas. They are there and we meet here, in the aftermath of an outrage: Iraq's invasion, then occupation, of Kuwait.

Our response has been firm and clear, as it must be in times like these. And times like these also remind us of far greater risks and sacrifices than any we are called to make in Washington. It is the men and women of our armed forces, all volunteers to service, who leave their posts and careers, their families and loved ones, to meet this challenge halfway around the world.

On behalf of all Americans, I want to express our deepest thanks to those who keep America safe and who make America great.

Let us also return a salute to the military leaders with us tonight -- the first-class professionals of the Joint Chiefs of Staff. General Powell, Chiefs, what a magnificent job you have done.

The response of all the men and women of the United States Armed Forces over the past few weeks has been nothing short of heroic.

In the face of danger, they are brave. In trying circumstances, their morale is excellent. Helping to keep the world free from further aggression, they make us all proud.

I wish I could say [✓]their work is done. But we all know it isn't.

And, let me also thank you all -- Democrats, Republicans, and independents alike -- and all Americans -- for your unity of purpose, and for your support of our actions in the face of aggression.

My purpose tonight is to talk to you about what is at stake, what we are doing and why. I also want to point out what we must do to prevail -- not just abroad, but here at home as well. For foreign policy and domestic policy are not distinct. We are one people, with a broad set of interests to be served by our foreign and domestic policies.

Our objectives are clear, our goals defined and familiar:

- o Iraq must withdraw from Kuwait completely, immediately, and without condition.
- o Kuwait's legitimate government must be restored.
- o The security and stability of the Persian Gulf must be assured.
- o And, American citizens and interests must be protected.

I want to say at the outset that these objectives are not ours alone. Other countries share our concern for principle. Other countries have a stake in Persian Gulf stability. And other countries share the heartfelt concern for their men, women, and children held hostage. It is not Iraq against the United States. It is Iraq against the world.

I come before you tonight having just returned from Helsinki, from my very productive meetings with Soviet President Gorbachev. Our joint statement underscores our mutual commitment to counter this threat to peace.

This public declaration is truly an historic venture. Just imagine how different this crisis would be if, as in decades past, a dictator like Saddam has been able to count upon the Soviet Union and East-West confrontation to inhibit an international response to his aggression. Try to conceive of what we and our allies would now face if the machinery of the United Nations were still disrupted by the divisions of the Cold War.

But, ladies and gentlemen, the Cold War is over. And in this crisis -- as grave as it is -- we see the chance to craft the framework of a new world order. One in which the cooperative mutual interest of countries East and West -- North and South -- can be realized. President Gorbachev understands that how we -- together with others -- manage this crisis will speak volumes about our ability to make the international system of the future different from those of the past. The test we face is great --

and so are the stakes -- for we seek a community of international responsibility. A new world: One in which the rule of law flourishes and in which no state can count on naked aggression for its own selfish unilateral gain. A new world in which nations recognize the responsibility we all share for freedom and justice. A lasting and effective partnership of nations where, as Woodrow Wilson said, "There must be not a balance of power, but a community of power; not organized rivalries, but organized peace." Those are the stakes, and that is the vision threatened by Saddam Hussein's brutal invasion.

What lies behind these objectives?

A vital issue of principle is at stake. We cannot allow the rule of law to be overwhelmed and replaced by the law of the jungle. Might cannot be allowed to make right. If we want the precedent of this first post-Cold War crisis to have meaning -- it must drive home that message.

Vital economic interests are at risk. Iraq itself controls some 10% of the world's proven oil reserves. Iraq plus Kuwait controls twice that. Moreover, an Iraq permitted to hold on to Kuwait would have the economic and military power as well as the arrogance to intimidate and in the end coerce its neighbors who control the lion's share of the remaining oil reserves, in the world. We cannot permit a resource so vital to the entire world to be dominated by so ruthless and unprincipled a power.

What is also at issue is American credibility and reliability. It has become fashionable in some quarters to speak

of American decline and the end of American leadership. But for any who subscribed to this notion, recent events have surely proven otherwise. As we have seen, there is no substitute for American leadership. And our willingness and capability to act is a bulwark against the forces of anarchy that could otherwise threaten the peace of the world.

Finally, what this is all about is nothing less than the shape of the world to come. This is truly the first crisis of the post-Cold War era. So it is essential that we hold true to certain principles if we wish to see them established as precedents in a new world order. Restraint, the rule of law, collective security -- we should not and cannot allow the reduced possibility of superpower conflict to be replaced by a new threat of conflict from power-hungry regional powers such as Iraq. With power comes obligation and responsibility. Saddam Hussein must learn this fundamental truth.

Our response has been clear from the very outset. Following on Iraq's August 2 invasion of Kuwait and acting hand in hand with others, we have sought to fashion the broadest possible international response to the Iraqi challenge. And we have succeeded.

Immediately following the invasion of Kuwait, American forces, and those of a host of nations, moved to the protection of Saudi Arabia. We are there at the request of King Fahd to deter an Iraqi attack and, if need be, to defend against one. Today soldiers from Damascus and Cairo, Marrakech and Bangladesh,

Los Angeles and London stand shoulder-to-shoulder. What brings these Muslims and non-Muslims, Arabs and non-Arabs together is resolute opposition to Saddam's aggression and aims.

In the United Nations, we can now point to five Security Council resolutions that condemn Iraq's aggression, call for immediate and unconditional Iraqi withdrawal from Kuwait, and call for the restoration of Kuwait's legitimate government. The United Nations has also specifically rejected Iraqi's cynical and self-serving attempt to annex Kuwait. The United Nations has demanded too that Iraq release all the foreign nationals held hostage against their will and in contravention not only international law but of human decency itself.

Just as important, the United Nations has backed up its words with action. The Security Council has imposed mandatory economic sanctions on Iraq, designed to force Iraq to disgorge the fruits of its aggression. The Security Council has also taken the decisive step of endorsing the use of all means as may be necessary to ensure that these sanctions are complied with. Together with our allies, ships of the United States Navy are today patrolling to see that they are. Voluntary compliance with sanctions is excellent. We continue to hope that Iraq's leaders will recalculate just what their aggression has on balance cost them. Because of the sanctions, they can sell none of their oil. And they can import but a tiny fraction of goods.

We continue to hope that these sanctions will work as intended.

Our policy also has a major economic dimension. I have just heard from Secretary of State Baker and from Secretary of the Treasury Brady. Each travelled the world at my request to underscore the necessity that the costs and burdens of this collective military effort be shared. It is also essential that countries complying with sanctions be compensated to prevent severe economic hardship. We are prepared to do our fair share; we are asking others to do the same.

I am pleased to be able to report that the response of our friends and allies has been positive. From the leaders of Saudi Arabia, Kuwait and the United Arab Republic we received pledges to provide American troops with all the food and fuel they need. Assistance will also be provided in large amounts to key front-line states such as Turkey and Egypt.

There is also an energy-related cost to be borne as well. But we are hard at work with oil-producing nations to replace lost Iraqi and Kuwaiti output. More than half of what was lost has already been made up. If we continue steps to expand production, we can minimize any price increases. As I have pointed out before, reasonable conservation efforts and responsible oil company behavior are necessary complements to this effort. And we and several of our allies always have the option to extract oil from our strategic petroleum reserves if conditions warrant.

The goal of all I have outlined is to convince Saddam Hussein to withdraw from Kuwait. I cannot predict just how long

it will take us to prevail. Our policy is now in place, and sanctions may take time to have their intended effect. What I can tell you is that we will stick with the current policy so long as the evidence suggests it is working. If the evidence begins to suggest otherwise, then we will look at the alternatives. Again, what is certain is that we will not let this aggression by Iraq stand.

However we do succeed, and we will, the challenge to our vital interest in the region will not have ended. I can foresee a lasting role for the United States in assisting the nations of the Persian Gulf, in deterring future aggression, in helping our friends in their own self-defense, and in curbing the proliferation of chemical, biological, missile and above all nuclear technologies. What we do specifically will be a matter to be determined, depending upon the threat and what we and our friends agree to. But let me make clear that our stake in the Gulf is not passing. Both our interest and our involvement predated Saddam Hussein's aggression, and both will survive it.

Let me also make clear that the United States has no quarrel with the Iraqi people. Our quarrel is with Iraq's behavior, with its aggression, and with its leadership.

I want to make sure that everyone in Iraq understands this, and hope I have the opportunity to speak directly to the Iraqi people later this week over their television. My message is simple. Iraq must withdraw from Kuwait. Iraq will not be permitted to annex Kuwait. The use of force by Iraq to achieve

its ambitions is unacceptable. No one in Iraq should doubt our determination, our resolve or our ability to translate these words into fact. This is not a threat or a boast, just the truth.

I also want to use this occasion to say some things to the American people. Our ability to function effectively as a great power abroad depends directly upon how we conduct ourselves here at home. Our economy, our armed forces, our energy dependence, and our cohesion will all determine whether we are in a position to help our friends and stand up to our foes.

In order for America to lead, America must be strong and vital. Our world leadership and domestic strength are not separate domains -- they are mutual and reinforcing; they are a woven piece, as firmly bound as Old Glory.

We must get our economic house in order at home if we are to have the capacity to promote international order abroad. To provide that capacity we must address our budget deficit now -- not after election day, or next year, but in fact now. It is time we pull together -- and get the job done right.

We should act this very month -- before the next fiscal year begins -- to permanently cut the budget deficit. If anyone needs an additional reason for action, surely the Iraqi situation can help focus the mind. We are more vulnerable economically than we should be. Americans must never again enter any crisis -- economic or military -- with an excessive dependence on foreign oil and an excessive burden of Federal debt.

Let me tell you what that job is. It has five basic parts.

First: We should, this month, enact growth-oriented tax measures -- to help avoid recession in the short term; and to increase savings, investment, productivity, and competitiveness for the longer term. One such measure already has the support of bipartisan majorities in both the House and Senate: The capital gains rate cut. And it is time we put its investment and job-creating power to work.

Second: We should, this month, enact a prudent five-year defense program -- one that reflects both the improvement in East-West relations, and the continuing risks of outlaw action and regional conflict, as represented most vividly now by Iraq. Even with Iraq, the defense budget can decline in real terms. But beyond a certain point, one crosses a line that threatens our nation's margin of safety. Given my Constitutional obligation as Commander-in-Chief, that is a line I cannot cross.

The world is still dangerous. Surely that is now clear. Stability is not secure. American interests are far-reaching. Inter-dependence has increased. The consequences of regional instability can be global. this is no time to reduce America's capacity to protect her vital interests.

Third: We should, this month, enact measures to increase domestic energy production and energy conservation -- in order to reduce dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and gas exploration, and to accelerate the development of Alaskan energy

resources. In addition, new measures, including tax measures (if any), to be incorporated here.

Since the oil embargo of the early 1970's our reliance on foreign oil has not decreased -- it has grown. We have moved in the wrong direction. Now we must act to correct that trend -- so that our vulnerability does not increase again.

Fourth: We should, this month, enact a five-year program to reduce the projected deficits and debt by \$500 billion -- that is, by half-a-trillion dollars. If Congress presents me with a satisfactory program by the end of the month, that would be in time to avoid the clumsy axe of "sequester" -- deep across-the-board cuts that would otherwise threaten our military capacity and risk substantial domestic disruption.

I ask, further, that Congress present the comprehensive, five-year deficit reduction program to me as a single legislative package -- with associated measures to assure that it can be fully enforced. The American people are tired of phoney deficit reduction on the promise-now-save-later-plan. Enough is enough. It's time for a program that is credible and real.

Fifth, and finally: The combination of these legislative actions should allow the Federal Reserve to facilitate a substantial reduction in interest rates -- in a context of economic growth, without increased inflation. I have discussed by proposed program in detail with the Chairman of the Federal Reserve Board, Alan Greenspan. He assures me that if Congress

acts promptly to enact the program I am recommending here tonight, he will then (. . .)

In addition to discussing this program with the Chairman of the Federal Reserve, I have today provided it -- in detail -- to the members of the Budget Summit negotiating group.

My deficit reduction program has these basic characteristics -- as any acceptable program must:

- o It includes the measures I've recommended to increase economic growth and reduce dependence on foreign oil.
- o It is balanced. The burden of contributions is not excessive to any one group of programs or people. About one-third of the savings come from defense, one-third from domestic spending programs, and one-third from revenue measures.
- o It reaches beyond the visible parts of the budget and begins to control the government's expanding credit programs and hidden liabilities.
- o It reforms the budget process to provide some of the tools that have allowed many governors to keep state budgets under control -- like "pay-as-you-go" requirements and line-item veto.
- o It is enforceable.
- o And, to the extent that it includes new revenue measures -- which it does -- it avoids any measure that might threaten economic growth or raise people's income tax rates. I know there are some who are anxious to

raise income tax rates. But that is one path we should not head down again.

To the congressional members of the Budget Summit, I say: I first called for negotiations many months ago. The negotiations have already dragged on too long. I have compromised, and compromised again. Some others have, as well. The plan I offer tonight is a further compromise that should, at last, bring us together. I hope to persuade you of its merit in this coming week.

My plan will not fully satisfy any of us. But it will do the job that needs to be done. And now: it is time to produce.

I hope the Summit leaders will agree on this plan. But with or without agreement, I ask both Houses of the Congress to allow a straight up-or-down vote on my comprehensive package -- not later than September 28th.

If the Congress fails to act, Americans will then have to face sequester: mandated spending reductions with all the national discomforts those entail. We would also be running real risks in terms of our national economy. If, on the other hand, the Congress responds to the challenge, we will, at last, have put ourselves on the right course here at home.

In the final analysis, our ability to meet our responsibilities abroad depends upon political will and consensus at home. This is never easy in democracies where we govern only with the consent of the governed. And free people in a free society are bound to have their differences. But when the stakes

have been as great as the stakes we now see, and when the principles are as clear as those we see today, Americans have traditionally come together. The sacrifices each of us in this chamber are called upon to make are political. These are not inconsequential sacrifices. But they are nothing compared to the sacrifices being made, as to speak, by our men and women in uniform.

I am hopeful. Once again, Americans have stepped forward to do their duty. They have shared a tearful goodbye with their families before leaving for a strange and distant shore. At this very moment, they stand together with Arabs, Europeans, and others in defense of principle -- doing what is right. If they can come together under such adversity, surely we who are so fortunate as to be in this great chamber -- Democrats, Republicans, liberals, conservatives, moderates -- can come together to fulfill our responsibilities here.

Thank you, good night, and God bless America.

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PRESIDENTIAL REMARKS: ADDRESS TO JOINT SESSION OF CONGRESS
U.S. CAPITOL
SEPTEMBER 11, 1990
9:00 P.M.

Mr. President, Mr. Speaker, Members of the Congress,
distinguished guests, fellow Americans, thank you.

We gather here this evening while brave members of the armed forces of the United States stand in harms way -- side by side with the armed forces of more than twenty other nations, in the distant desert and on distant seas. They are there and we meet here, in the aftermath of an outrage: Iraq's invasion, then occupation, of Kuwait.

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- o Kuwait's legitimate government must be restored.
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What lies behind these objectives?

A vital issue of principle is at stake. We cannot allow the rule of law to be overwhelmed and replaced by the law of the jungle. Might cannot be allowed to make right. If we want the precedent of this first post-Cold War crisis to have meaning -- it must drive home that message.

Vital economic interests are at risk. Iraq itself controls some 10% of the world's proven oil reserves. Iraq plus Kuwait controls twice that. Moreover, an Iraq permitted to hold on to Kuwait would have the economic and military power as well as the arrogance to intimidate and in the end coerce its neighbors who control the lion's share of the remaining oil reserves, in the world. We cannot permit a resource so vital to the entire world to be dominated by so ruthless and unprincipled a power.

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In the final analysis, our ability to meet our responsibilities abroad depends upon political will and consensus at home. This is never easy in democracies where we govern only with the consent of the governed. And free people in a free society are bound to have their differences. But when the stakes

have been as great as the stakes we now see, and when the principles are as clear as those we see today, Americans have traditionally come together. The sacrifices each of us in this chamber are called upon to make are political. These are not inconsequential sacrifices. But they are nothing compared to the sacrifices being made, as to speak, by our men and women in uniform.

I am hopeful. Once again, Americans have stepped forward to do their duty. They have shared a tearful goodbye with their families before leaving for a strange and distant shore. At this very moment, they stand together with Arabs, Europeans, and others in defense of principle -- doing what is right. If they can come together under such adversity, surely we who are so fortunate as to be in this great chamber -- Democrats, Republicans, liberals, conservatives, moderates -- can come together to fulfill our responsibilities here.

Thank you, good night, and God bless America.

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PRESIDENTIAL REMARKS: ADDRESS TO JOINT SESSION OF CONGRESS
U.S. CAPITOL
SEPTEMBER 11, 1990
9:00 P.M.

Mr. President, Mr. Speaker, Members of the Congress,
distinguished guests, fellow Americans, thank you.

We gather here this evening while brave members of the armed forces of the United States stand in harms way -- side by side with the armed forces of more than twenty other nations, in the distant desert and on distant seas. They are there and we meet here, in the aftermath of an outrage: Iraq's invasion, then occupation, of Kuwait.

Our response has been firm and clear, as it must be in times like these. And times like these also remind us of far greater risks and sacrifices than any we are called to make in Washington. It is the men and women of our armed forces, all volunteers to service, who leave their posts and careers, their families and loved ones, to meet this challenge halfway around the world.

On behalf of all Americans, I want to express our deepest thanks to those who keep America safe and who make America great.

Let us also return a salute to the military leaders with us tonight -- the first-class professionals of the Joint Chiefs of Staff. General Powell, Chiefs, what a magnificent job you have done.

The response of all the men and women of the United States Armed Forces over the past few weeks has been nothing short of heroic.

In the face of danger, they are brave. In trying circumstances, their morale is excellent. Helping to keep the world free from further aggression, they make us all proud.

I wish I could say [✓]heir work is done. But we all know it isn't.

And, let me also thank you all -- Democrats, Republicans, and independents alike -- and all Americans -- for your unity of purpose, and for your support of our actions in the face of aggression.

My purpose tonight is to talk to you about what is at stake, what we are doing and why. I also want to point out what we must do to prevail -- not just abroad, but here at home as well. For foreign policy and domestic policy are not distinct. We are one people, with a broad set of interests to be served by our foreign and domestic policies.

Our objectives are clear, our goals defined and familiar:

- o Iraq must withdraw from Kuwait completely, immediately, and without condition.
- o Kuwait's legitimate government must be restored.
- o The security and stability of the Persian Gulf must be assured.
- o And, American citizens and interests must be protected.

I want to say at the outset that these objectives are not ours alone. Other countries share our concern for principle. Other countries have a stake in Persian Gulf stability. And other countries share the heartfelt concern for their men, women, and children held hostage. It is not Iraq against the United States. It is Iraq against the world.

I come before you tonight having just returned from Helsinki, from my very productive meetings with Soviet President Gorbachev. Our joint statement underscores our mutual commitment to counter this threat to peace.

This public declaration is truly an historic venture. Just imagine how different this crisis would be if, as in decades past, a dictator like Saddam has been able to count upon the Soviet Union and East-West confrontation to inhibit an international response to his aggression. Try to conceive of what we and our allies would now face if the machinery of the United Nations were still disrupted by the divisions of the Cold War.

But, ladies and gentlemen, the Cold War is over. And in this crisis -- as grave as it is -- we see the chance to craft the framework of a new world order. One in which the cooperative mutual interest of countries East and West -- North and South -- can be realized. President Gorbachev understands that how we -- together with others -- manage this crisis will speak volumes about our ability to make the international system of the future different from those of the past. The test we face is great --

and so are the stakes -- for we seek a community of international responsibility. A new world: One in which the rule of law flourishes and in which no state can count on naked aggression for its own selfish unilateral gain. A new world in which nations recognize the responsibility we all share for freedom and justice. A lasting and effective partnership of nations where, as Woodrow Wilson said, "There must be not a balance of power, but a community of power; not organized rivalries, but organized peace." Those are the stakes, and that is the vision threatened by Saddam Hussein's brutal invasion.

What lies behind these objectives?

A vital issue of principle is at stake. We cannot allow the rule of law to be overwhelmed and replaced by the law of the jungle. Might cannot be allowed to make right. If we want the precedent of this first post-Cold War crisis to have meaning -- it must drive home that message.

Vital economic interests are at risk. Iraq itself controls some 10% of the world's proven oil reserves. Iraq plus Kuwait controls twice that. Moreover, an Iraq permitted to hold on to Kuwait would have the economic and military power as well as the arrogance to intimidate and in the end coerce its neighbors who control the lion's share of the remaining oil reserves, in the world. We cannot permit a resource so vital to the entire world to be dominated by so ruthless and unprincipled a power.

What is also at issue is American credibility and reliability. It has become fashionable in some quarters to speak

of American decline and the end of American leadership. But for any who subscribed to this notion, recent events have surely proven otherwise. As we have seen, there is no substitute for American leadership. And our willingness and capability to act is a bulwark against the forces of anarchy that could otherwise threaten the peace of the world.

Finally, what this is all about is nothing less than the shape of the world to come. This is truly the first crisis of the post-Cold War era. So it is essential that we hold true to certain principles if we wish to see them established as precedents in a new world order. Restraint, the rule of law, collective security -- we should not and cannot allow the reduced possibility of superpower conflict to be replaced by a new threat of conflict from power-hungry regional powers such as Iraq. With power comes obligation and responsibility. Saddam Hussein must learn this fundamental truth.

Our response has been clear from the very outset. Following on Iraq's August 2 invasion of Kuwait and acting hand in hand with others, we have sought to fashion the broadest possible international response to the Iraqi challenge. And we have succeeded.

Immediately following the invasion of Kuwait, American forces, and those of a host of nations, moved to the protection of Saudi Arabia. We are there at the request of King Fahd to deter an Iraqi attack and, if need be, to defend against one. Today soldiers from Damascus and Cairo, Marrakech and Bangladesh,

Los Angeles and London stand shoulder-to-shoulder. What brings these Muslims and non-Muslims, Arabs and non-Arabs together is resolute opposition to Saddam's aggression and aims.

In the United Nations, we can now point to five Security Council resolutions that condemn Iraq's aggression, call for immediate and unconditional Iraqi withdrawal from Kuwait, and call for the restoration of Kuwait's legitimate government. The United Nations has also specifically rejected Iraq's cynical and self-serving attempt to annex Kuwait. The United Nations has demanded too that Iraq release all the foreign nationals held hostage against their will and in contravention not only international law but of human decency itself.

Just as important, the United Nations has backed up its words with action. The Security Council has imposed mandatory economic sanctions on Iraq, designed to force Iraq to disgorge the fruits of its aggression. The Security Council has also taken the decisive step of endorsing the use of all means as may be necessary to ensure that these sanctions are complied with. Together with our allies, ships of the United States Navy are today patrolling to see that they are. Voluntary compliance with sanctions is excellent. We continue to hope that Iraq's leaders will recalculate just what their aggression has on balance cost them. Because of the sanctions, they can sell none of their oil. And they can import but a tiny fraction of goods.

We continue to hope that these sanctions will work as intended.

Our policy also has a major economic dimension. I have just heard from Secretary of State Baker and from Secretary of the Treasury Brady. Each travelled the world at my request to underscore the necessity that the costs and burdens of this collective military effort be shared. It is also essential that countries complying with sanctions be compensated to prevent severe economic hardship. We are prepared to do our fair share; we are asking others to do the same.

I am pleased to be able to report that the response of our friends and allies has been positive. From the leaders of Saudi Arabia, Kuwait and the United Arab Republic we received pledges to provide American troops with all the food and fuel they need. Assistance will also be provided in large amounts to key front-line states such as Turkey and Egypt.

There is also an energy-related cost to be borne as well. But we are hard at work with oil-producing nations to replace lost Iraqi and Kuwaiti output. More than half of what was lost has already been made up. If we continue steps to expand production, we can minimize any price increases. As I have pointed out before, reasonable conservation efforts and responsible oil company behavior are necessary complements to this effort. And we and several of our allies always have the option to extract oil from our strategic petroleum reserves if conditions warrant.

The goal of all I have outlined is to convince Saddam Hussein to withdraw from Kuwait. I cannot predict just how long

it will take us to prevail. Our policy is now in place, and sanctions may take time to have their intended effect. What I can tell you is that we will stick with the current policy so long as the evidence suggests it is working. If the evidence begins to suggest otherwise, then we will look at the alternatives. Again, what is certain is that we will not let this aggression by Iraq stand.

However we do succeed, and we will, the challenge to our vital interest in the region will not have ended. I can foresee a lasting role for the United States in assisting the nations of the Persian Gulf, in deterring future aggression, in helping our friends in their own self-defense, and in curbing the proliferation of chemical, biological, missile and above all nuclear technologies. What we do specifically will be a matter to be determined, depending upon the threat and what we and our friends agree to. But let me make clear that our stake in the Gulf is not passing. Both our interest and our involvement predated Saddam Hussein's aggression, and both will survive it.

Let me also make clear that the United States has no quarrel with the Iraqi people. Our quarrel is with Iraq's behavior, with its aggression, and with its leadership.

I want to make sure that everyone in Iraq understands this, and hope I have the opportunity to speak directly to the Iraqi people later this week over their television. My message is simple. Iraq must withdraw from Kuwait. Iraq will not be permitted to annex Kuwait. The use of force by Iraq to achieve

its ambitions is unacceptable. No one in Iraq should doubt our determination, our resolve or our ability to translate these words into fact. This is not a threat or a boast, just the truth.

I also want to use this occasion to say some things to the American people. Our ability to function effectively as a great power abroad depends directly upon how we conduct ourselves here at home. Our economy, our armed forces, our energy dependence, and our cohesion will all determine whether we are in a position to help our friends and stand up to our foes.

In order for America to lead, America must be strong and vital. Our world leadership and domestic strength are not separate domains -- they are mutual and reinforcing; they are a woven piece, as firmly bound as Old Glory.

We must get our economic house in order at home if we are to have the capacity to promote international order abroad. To provide that capacity we must address our budget deficit now -- not after election day, or next year, but in fact now. It is time we pull together -- and get the job done right.

We should act this very month -- before the next fiscal year begins -- to permanently cut the budget deficit. If anyone needs an additional reason for action, surely the Iraqi situation can help focus the mind. We are more vulnerable economically than we should be. Americans must never again enter any crisis -- economic or military -- with an excessive dependence on foreign oil and an excessive burden of Federal debt.

Let me tell you what that job is. It has five basic parts.

First: We should, this month, enact growth-oriented tax measures -- to help avoid recession in the short term; and to increase savings, investment, productivity, and competitiveness for the longer term. One such measure already has the support of bipartisan majorities in both the House and Senate: The capital gains rate cut. And it is time we put its investment and job-creating power to work.

Second: We should, this month, enact a prudent five-year defense program -- one that reflects both the improvement in East-West relations, and the continuing risks of outlaw action and regional conflict, as represented most vividly now by Iraq. Even with Iraq, the defense budget can decline in real terms. But beyond a certain point, one crosses a line that threatens our nation's margin of safety. Given my Constitutional obligation as Commander-in-Chief, that is a line I cannot cross.

The world is still dangerous. Surely that is now clear. Stability is not secure. American interests are far-reaching. Inter-dependence has increased. The consequences of regional instability can be global. this is no time to reduce America's capacity to protect her vital interests.

Third: We should, this month, enact measures to increase domestic energy production and energy conservation -- in order to reduce dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and gas exploration, and to accelerate the development of Alaskan energy

resources. In addition, new measures, including tax measures (if any), to be incorporated here.

Since the oil embargo of the early 1970's our reliance on foreign oil has not decreased -- it has grown. We have moved in the wrong direction. Now we must act to correct that trend -- so that our vulnerability does not increase again.

Fourth: We should, this month, enact a five-year program to reduce the projected deficits and debt by \$500 billion -- that is, by half-a-trillion dollars. If Congress presents me with a satisfactory program by the end of the month, that would be in time to avoid the clumsy axe of "sequester" -- deep across-the-board cuts that would otherwise threaten our military capacity and risk substantial domestic disruption.

I ask, further, that Congress present the comprehensive, five-year deficit reduction program to me as a single legislative package -- with associated measures to assure that it can be fully enforced. The American people are tired of phoney deficit reduction on the promise-now-save-later-plan. Enough is enough. It's time for a program that is credible and real.

Fifth, and finally: The combination of these legislative actions should allow the Federal Reserve to facilitate a substantial reduction in interest rates -- in a context of economic growth, without increased inflation. I have discussed by proposed program in detail with the Chairman of the Federal Reserve Board, Alan Greenspan. He assures me that if Congress

acts promptly to enact the program I am recommending here tonight, he will then (. . .)

In addition to discussing this program with the Chairman of the Federal Reserve, I have today provided it -- in detail -- to the members of the Budget Summit negotiating group.

My deficit reduction program has these basic characteristics -- as any acceptable program must:

- o It includes the measures I've recommended to increase economic growth and reduce dependence on foreign oil.
- o It is balanced. The burden of contributions is not excessive to any one group of programs or people. About one-third of the savings come from defense, one-third from domestic spending programs, and one-third from revenue measures.
- o It reaches beyond the visible parts of the budget and begins to control the government's expanding credit programs and hidden liabilities.
- o It reforms the budget process to provide some of the tools that have allowed many governors to keep state budgets under control -- like "pay-as-you-go" requirements and line-item veto.
- o It is enforceable.
- o And, to the extent that it includes new revenue measures -- which it does -- it avoids any measure that might threaten economic growth or raise people's income tax rates. I know there are some who are anxious to

raise income tax rates. But that is one path we should not head down again.

To the congressional members of the Budget Summit, I say: I first called for negotiations many months ago. The negotiations have already dragged on too long. I have compromised, and compromised again. Some others have, as well. The plan I offer tonight is a further compromise that should, at last, bring us together. I hope to persuade you of its merit in this coming week.

My plan will not fully satisfy any of us. But it will do the job that needs to be done. And now: it is time to produce.

I hope the Summit leaders will agree on this plan. But with or without agreement, I ask both Houses of the Congress to allow a straight up-or-down vote on my comprehensive package -- not later than September 28th.

If the Congress fails to act, Americans will then have to face sequester: mandated spending reductions with all the national discomforts those entail. We would also be running real risks in terms of our national economy. If, on the other hand, the Congress responds to the challenge, we will, at last, have put ourselves on the right course here at home.

In the final analysis, our ability to meet our responsibilities abroad depends upon political will and consensus at home. This is never easy in democracies where we govern only with the consent of the governed. And free people in a free society are bound to have their differences. But when the stakes

have been as great as the stakes we now see, and when the principles are as clear as those we see today, Americans have traditionally come together. The sacrifices each of us in this chamber are called upon to make are political. These are not inconsequential sacrifices. But they are nothing compared to the sacrifices being made, as to speak, by our men and women in uniform.

I am hopeful. Once again, Americans have stepped forward to do their duty. They have shared a tearful goodbye with their families before leaving for a strange and distant shore. At this very moment, they stand together with Arabs, Europeans, and others in defense of principle -- doing what is right. If they can come together under such adversity, surely we who are so fortunate as to be in this great chamber -- Democrats, Republicans, liberals, conservatives, moderates -- can come together to fulfill our responsibilities here.

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#

PRESIDENTIAL REMARKS: ADDRESS TO JOINT SESSION OF CONGRESS
U.S. CAPITOL
SEPTEMBER 11, 1990
9:00 P.M.

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distinguished guests, fellow Americans, thank you.

We gather here this evening while brave members of the armed forces of the United States stand in harms way -- side by side with the armed forces of more than twenty other nations, in the distant desert and on distant seas. They are there and we meet here, in the aftermath of an outrage: Iraq's invasion, then occupation, of Kuwait.

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- o Kuwait's legitimate government must be restored.
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PRESIDENTIAL REMARKS: ADDRESS TO JOINT SESSION OF CONGRESS
U.S. CAPITOL
SEPTEMBER 11, 1990
9:00 P.M.

Mr. President, Mr. Speaker, Members of the Congress,
distinguished guests, fellow Americans, thank you.

We gather here this evening while brave members of the armed forces of the United States stand in harms way -- side by side with the armed forces of more than twenty other nations, in the distant desert and on distant seas. They are there and we meet here, in the aftermath of an outrage: Iraq's invasion, then occupation, of Kuwait.

Our response has been firm and clear, as it must be in times like these. And times like these also remind us of far greater risks and sacrifices than any we are called to make in Washington. It is the men and women of our armed forces, all volunteers to service, who leave their posts and careers, their families and loved ones, to meet this challenge halfway around the world.

On behalf of all Americans, I want to express our deepest thanks to those who keep America safe and who make America great.

Let us also return a salute to the military leaders with us tonight -- the first-class professionals of the Joint Chiefs of Staff. General Powell, Chiefs, what a magnificent job you have done.

The response of all the men and women of the United States Armed Forces over the past few weeks has been nothing short of heroic.

In the face of danger, they are brave. In trying circumstances, their morale is excellent. Helping to keep the world free from further aggression, they make us all proud.

I wish I could say [↙]their work is done. But we all know it isn't.

And, let me also thank you all -- Democrats, Republicans, and independents alike -- and all Americans -- for your unity of purpose, and for your support of our actions in the face of aggression.

My purpose tonight is to talk to you about what is at stake, what we are doing and why. I also want to point out what we must do to prevail -- not just abroad, but here at home as well. For foreign policy and domestic policy are not distinct. We are one people, with a broad set of interests to be served by our foreign and domestic policies.

Our objectives are clear, our goals defined and familiar:

- o Iraq must withdraw from Kuwait completely, immediately, and without condition.
- o Kuwait's legitimate government must be restored.
- o The security and stability of the Persian Gulf must be assured.
- o And, American citizens and interests must be protected.

I want to say at the outset that these objectives are not ours alone. Other countries share our concern for principle. Other countries have a stake in Persian Gulf stability. And other countries share the heartfelt concern for their men, women, and children held hostage. It is not Iraq against the United States. It is Iraq against the world.

I come before you tonight having just returned from Helsinki, from my very productive meetings with Soviet President Gorbachev. Our joint statement underscores our mutual commitment to counter this threat to peace.

This public declaration is truly an historic venture. Just imagine how different this crisis would be if, as in decades past, a dictator like Saddam has been able to count upon the Soviet Union and East-West confrontation to inhibit an international response to his aggression. Try to conceive of what we and our allies would now face if the machinery of the United Nations were still disrupted by the divisions of the Cold War.

But, ladies and gentlemen, the Cold War is over. And in this crisis -- as grave as it is -- we see the chance to craft the framework of a new world order. One in which the cooperative mutual interest of countries East and West -- North and South -- can be realized. President Gorbachev understands that how we -- together with others -- manage this crisis will speak volumes about our ability to make the international system of the future different from those of the past. The test we face is great --

and so are the stakes -- for we seek a community of international responsibility. A new world: One in which the rule of law flourishes and in which no state can count on naked aggression for its own selfish unilateral gain. A new world in which nations recognize the responsibility we all share for freedom and justice. A lasting and effective partnership of nations where, as Woodrow Wilson said, "There must be not a balance of power, but a community of power; not organized rivalries, but organized peace." Those are the stakes, and that is the vision threatened by Saddam Hussein's brutal invasion.

What lies behind these objectives?

A vital issue of principle is at stake. We cannot allow the rule of law to be overwhelmed and replaced by the law of the jungle. Might cannot be allowed to make right. If we want the precedent of this first post-Cold War crisis to have meaning -- it must drive home that message.

Vital economic interests are at risk. Iraq itself controls some 10% of the world's proven oil reserves. Iraq plus Kuwait controls twice that. Moreover, an Iraq permitted to hold on to Kuwait would have the economic and military power as well as the arrogance to intimidate and in the end coerce its neighbors who control the lion's share of the remaining oil reserves, in the world. We cannot permit a resource so vital to the entire world to be dominated by so ruthless and unprincipled a power.

What is also at issue is American credibility and reliability. It has become fashionable in some quarters to speak

of American decline and the end of American leadership. But for any who subscribed to this notion, recent events have surely proven otherwise. As we have seen, there is no substitute for American leadership. And our willingness and capability to act is a bulwark against the forces of anarchy that could otherwise threaten the peace of the world.

Finally, what this is all about is nothing less than the shape of the world to come. This is truly the first crisis of the post-Cold War era. So it is essential that we hold true to certain principles if we wish to see them established as precedents in a new world order. Restraint, the rule of law, collective security -- we should not and cannot allow the reduced possibility of superpower conflict to be replaced by a new threat of conflict from power-hungry regional powers such as Iraq. With power comes obligation and responsibility. Saddam Hussein must learn this fundamental truth.

Our response has been clear from the very outset. Following on Iraq's August 2 invasion of Kuwait and acting hand in hand with others, we have sought to fashion the broadest possible international response to the Iraqi challenge. And we have succeeded.

Immediately following the invasion of Kuwait, American forces, and those of a host of nations, moved to the protection of Saudi Arabia. We are there at the request of King Fahd to deter an Iraqi attack and, if need be, to defend against one. Today soldiers from Damascus and Cairo, Marrakech and Bangladesh,

Los Angeles and London stand shoulder-to-shoulder. What brings these Muslims and non-Muslims, Arabs and non-Arabs together is resolute opposition to Saddam's aggression and aims.

In the United Nations, we can now point to five Security Council resolutions that condemn Iraq's aggression, call for immediate and unconditional Iraqi withdrawal from Kuwait, and call for the restoration of Kuwait's legitimate government. The United Nations has also specifically rejected Iraq's cynical and self-serving attempt to annex Kuwait. The United Nations has demanded too that Iraq release all the foreign nationals held hostage against their will and in contravention not only international law but of human decency itself.

Just as important, the United Nations has backed up its words with action. The Security Council has imposed mandatory economic sanctions on Iraq, designed to force Iraq to disgorge the fruits of its aggression. The Security Council has also taken the decisive step of endorsing the use of all means as may be necessary to ensure that these sanctions are complied with. Together with our allies, ships of the United States Navy are today patrolling to see that they are. Voluntary compliance with sanctions is excellent. We continue to hope that Iraq's leaders will recalculate just what their aggression has on balance cost them. Because of the sanctions, they can sell none of their oil. And they can import but a tiny fraction of goods.

We continue to hope that these sanctions will work as intended.

Our policy also has a major economic dimension. I have just heard from Secretary of State Baker and from Secretary of the Treasury Brady. Each travelled the world at my request to underscore the necessity that the costs and burdens of this collective military effort be shared. It is also essential that countries complying with sanctions be compensated to prevent severe economic hardship. We are prepared to do our fair share; we are asking others to do the same.

I am pleased to be able to report that the response of our friends and allies has been positive. From the leaders of Saudi Arabia, Kuwait and the United Arab Republic we received pledges to provide American troops with all the food and fuel they need. Assistance will also be provided in large amounts to key front-line states such as Turkey and Egypt.

There is also an energy-related cost to be borne as well. But we are hard at work with oil-producing nations to replace lost Iraqi and Kuwaiti output. More than half of what was lost has already been made up. If we continue steps to expand production, we can minimize any price increases. As I have pointed out before, reasonable conservation efforts and responsible oil company behavior are necessary complements to this effort. And we and several of our allies always have the option to extract oil from our strategic petroleum reserves if conditions warrant.

The goal of all I have outlined is to convince Saddam Hussein to withdraw from Kuwait. I cannot predict just how long

it will take us to prevail. Our policy is now in place, and sanctions may take time to have their intended effect. What I can tell you is that we will stick with the current policy so long as the evidence suggests it is working. If the evidence begins to suggest otherwise, then we will look at the alternatives. Again, what is certain is that we will not let this aggression by Iraq stand.

However we do succeed, and we will, the challenge to our vital interest in the region will not have ended. I can foresee a lasting role for the United States in assisting the nations of the Persian Gulf, in deterring future aggression, in helping our friends in their own self-defense, and in curbing the proliferation of chemical, biological, missile and above all nuclear technologies. What we do specifically will be a matter to be determined, depending upon the threat and what we and our friends agree to. But let me make clear that our stake in the Gulf is not passing. Both our interest and our involvement predated Saddam Hussein's aggression, and both will survive it.

Let me also make clear that the United States has no quarrel with the Iraqi people. Our quarrel is with Iraq's behavior, with its aggression, and with its leadership.

I want to make sure that everyone in Iraq understands this, and hope I have the opportunity to speak directly to the Iraqi people later this week over their television. My message is simple. Iraq must withdraw from Kuwait. Iraq will not be permitted to annex Kuwait. The use of force by Iraq to achieve

its ambitions is unacceptable. No one in Iraq should doubt our determination, our resolve or our ability to translate these words into fact. This is not a threat or a boast, just the truth.

I also want to use this occasion to say some things to the American people. Our ability to function effectively as a great power abroad depends directly upon how we conduct ourselves here at home. Our economy, our armed forces, our energy dependence, and our cohesion will all determine whether we are in a position to help our friends and stand up to our foes.

In order for America to lead, America must be strong and vital. Our world leadership and domestic strength are not separate domains -- they are mutual and reinforcing; they are a woven piece, as firmly bound as Old Glory.

We must get our economic house in order at home if we are to have the capacity to promote international order abroad. To provide that capacity we must address our budget deficit now -- not after election day, or next year, but in fact now. It is time we pull together -- and get the job done right.

We should act this very month -- before the next fiscal year begins -- to permanently cut the budget deficit. If anyone needs an additional reason for action, surely the Iraqi situation can help focus the mind. We are more vulnerable economically than we should be. Americans must never again enter any crisis -- economic or military -- with an excessive dependence on foreign oil and an excessive burden of Federal debt.

Let me tell you what that job is. It has five basic parts.

First: We should, this month, enact growth-oriented tax measures -- to help avoid recession in the short term; and to increase savings, investment, productivity, and competitiveness for the longer term. One such measure already has the support of bipartisan majorities in both the House and Senate: The capital gains rate cut. And it is time we put its investment and job-creating power to work.

Second: We should, this month, enact a prudent five-year defense program -- one that reflects both the improvement in East-West relations, and the continuing risks of outlaw action and regional conflict, as represented most vividly now by Iraq. Even with Iraq, the defense budget can decline in real terms. But beyond a certain point, one crosses a line that threatens our nation's margin of safety. Given my Constitutional obligation as Commander-in-Chief, that is a line I cannot cross.

The world is still dangerous. Surely that is now clear. Stability is not secure. American interests are far-reaching. Inter-dependence has increased. The consequences of regional instability can be global. this is no time to reduce America's capacity to protect her vital interests.

Third: We should, this month, enact measures to increase domestic energy production and energy conservation -- in order to reduce dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and gas exploration, and to accelerate the development of Alaskan energy

resources. In addition, new measures, including tax measures (if any), to be incorporated here.

Since the oil embargo of the early 1970's our reliance on foreign oil has not decreased -- it has grown. We have moved in the wrong direction. Now we must act to correct that trend -- so that our vulnerability does not increase again.

Fourth: We should, this month, enact a five-year program to reduce the projected deficits and debt by \$500 billion -- that is, by half-a-trillion dollars. If Congress presents me with a satisfactory program by the end of the month, that would be in time to avoid the clumsy axe of "sequester" -- deep across-the-board cuts that would otherwise threaten our military capacity and risk substantial domestic disruption.

I ask, further, that Congress present the comprehensive, five-year deficit reduction program to me as a single legislative package -- with associated measures to assure that it can be fully enforced. The American people are tired of phoney deficit reduction on the promise-now-save-later-plan. Enough is enough. It's time for a program that is credible and real.

Fifth, and finally: The combination of these legislative actions should allow the Federal Reserve to facilitate a substantial reduction in interest rates -- in a context of economic growth, without increased inflation. I have discussed by proposed program in detail with the Chairman of the Federal Reserve Board, Alan Greenspan. He assures me that if Congress

acts promptly to enact the program I am recommending here tonight, he will then (. . .)

In addition to discussing this program with the Chairman of the Federal Reserve, I have today provided it -- in detail -- to the members of the Budget Summit negotiating group.

My deficit reduction program has these basic characteristics -- as any acceptable program must:

- o It includes the measures I've recommended to increase economic growth and reduce dependence on foreign oil.
- o It is balanced. The burden of contributions is not excessive to any one group of programs or people. About one-third of the savings come from defense, one-third from domestic spending programs, and one-third from revenue measures.
- o It reaches beyond the visible parts of the budget and begins to control the government's expanding credit programs and hidden liabilities.
- o It reforms the budget process to provide some of the tools that have allowed many governors to keep state budgets under control -- like "pay-as-you-go" requirements and line-item veto.
- o It is enforceable.
- o And, to the extent that it includes new revenue measures -- which it does -- it avoids any measure that might threaten economic growth or raise people's income tax rates. I know there are some who are anxious to

raise income tax rates. But that is one path we should not head down again.

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