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Record Group/Collection: George H.W. Bush Presidential Records
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Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13590
Folder ID Number: 13590-004

Folder Title:
Fortune 500 Forum Teleconference, 11/15/91 [1] [OA 6039]

Stack:	Row:	Section:	Shelf:	Position:
G	26	17	4	5

FORTUNE 500 TELECONFERENCE
ROOM 459, OEOB
NOVEMBER 15, 1991
10:25 A.M.

THANK YOU, JIM [HAYES, PUBLISHER OF FORTUNE]. //
GREETINGS TO MARSHALL LOEB -- AND MY THANKS TO ALL FOR
THIS OPPORTUNITY TO ADDRESS THE PEOPLE WHO PRODUCE A
GOOD CHUNK OF THE GROSS NATIONAL PRODUCT. // BRINGING
ALL OF YOU TOGETHER IS A REAL SERVICE -- AND PROVES
ONCE AGAIN WHY FORTUNE IS ONE OF AMERICA'S LEADING
ECONOMIC INDICATORS.

SCOWROFT

IN THE SUPER-CHARGED COMPETITIVE ATMOSPHERE YOU
CALL HOME, THERE'S NEVER ROOM FOR COMPLACENCY. THE
WORLD DOESN'T CARE MUCH ABOUT YESTERDAY'S TRACK RECORDS
-- IT WANTS TO FIND THE RESTLESS MAN OR WOMAN WITH THE
NEXT NEW IDEA. THIS YEAR, A NEW ELEMENT OVERSHADOWS
THE NORMAL QUEST FOR EXCELLENCE. TIMES HAVE BEEN
TOUGH. AS ONE LOOKS AHEAD, PLANS FOR THE FUTURE,
THERE'S WORRY ABOUT THE ECONOMY. I AM CONCERNED.
PEOPLE ARE HURTING AND I WANT TO HELP. I WANT TO BE
SURE THAN ^TANY ACTIONS TAKEN BY THE FEDERAL GOVERNMENT
ARE FUNDMENTALLY SOUND.

POCUS
☆

LET ME JUST TAKE A MOMENT TO SHARE A FEW THOUGHTS ABOUT HOW WE CAN GET THIS ECONOMY GROWING. / AS YOU MIGHT KNOW, OUR LONG-TERM GROWTH STRATEGY IS FOUNDED ON SEVERAL IMPORTANT ELEMENTS:

FIRST, WE KNOW WE'VE GOT TO GET THAT DEFICIT DOWN. WE'VE GOT A BUDGET AGREEMENT THAT PUTS THE SQUEEZE ON THE CONTROLLABLE PART OF FEDERAL SPENDING -- AND WE MUST ABIDE BY IT. ~~THE~~ THE OTHER DAY A MASSIVE TAX CUTTING SCHEME WAS PROPOSED, AND LONG TERM INTEREST RATES SHOT UP BECAUSE THE MARKETS FELT THAT THE DEFICIT WOULD AGAIN SPIRAL. // WE'VE GOT TO KEEP INFLATION UNDER CONTROL -- AS IT IS RIGHT NOW. ^{REAL GROWTH} THE FED MUST CONDUCT ITSELF IN A WAY THAT WILL KEEP INTEREST RATES AT LOW LEVELS. / WE'VE GOT TO KEEP AMERICAN BUSINESS COMPETITIVE: SLASH RED TAPE AND REGULATIONS WHEREVER POSSIBLE -- DRAW THE LINE AGAINST MORE AND MORE GOVERNMENT MANDATES THAT HANDCUFF THE AMERICAN ENTREPRENEUR. COMPETITIVENESS MEANS REAL TORT REFORM - - CAPPING THESE SKY'S-THE-LIMIT LIABILITY AWARDS. AS A NATION, WE'VE GOT TO MAKE GOOD ON OUR COMMITMENT TO QUALITY EDUCATION AND JOB TRAINING, TO ENSURE A WORKFORCE READY FOR THE CHALLENGES A NEW CENTURY WILL

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FINALLY, WE'VE GOT TO MAKE CERTAIN AMERICAN
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SO FAR I'VE SPOKEN ABOUT WAYS WE'RE TRYING TO TURN THINGS AROUND. NOW, LET ME TELL YOU WHAT WE WON'T DO. THE FIRST RULE OF ECONOMIC POLICY PUTS ME IN MIND OF THE HIPPOCRATIC OATH: DO NO HARM. // WE'RE GOING TO DRAW THE LINE AGAINST THE BUDGET-BUSTERS, RESIST THE QUICK FIX SOLUTIONS OUT THERE -- FROM THE FOLKS WHO WOULD HAVE YOU BELIEVE THEY CAN REACH IN, FLIP A LEVER HERE, TURN A KNOB THERE, AND FINE-TUNE A FIVE-TRILLION DOLLAR ECONOMY. PRESSURE'S BUILDING AS WE ENTER 1992 -- BUT LET ME SAY RIGHT NOW: WE WON'T SACRIFICE LONG-TERM ECONOMIC HEALTH FOR SHORT-TERM POLITICAL GAIN. //

I DON'T EXPECT IT TO BE EASY. BUT I AM DETERMINED TO FIND A WAY TO WORK WITH THE OPPOSITION -- TO REACH OUT, DEAL IN GOOD FAITH AND DO OUR JOB, SO THAT YOU CAN KEEP DOING YOURS.

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ONCE AGAIN, MY THANKS TO ALL OF YOU. / NOW, JIM AND MARSHALL, I'LL BE PLEASED TO TAKE SOME QUESTIONS.

Q & A:

1. MR. PRESIDENT, YOU CAN ANSWER THIS QUESTION AS GENERALLY OR AS SPECIFICALLY AS YOU WANT. BUT THE QUESTION IS: "WHAT SHOULD AMERICAN BUSINESS DO IN 1992?"

OUR SYSTEM WORKS BEST WHEN INDEPENDENT ENTERPRISES TAKE THEIR CUE FROM THE MARKET -- NOT FROM WASHINGTON. SO IN 1992, WHAT I WANT TO SEE IS SIMPLY THIS: I'D LIKE TO SEE YOU DO WHAT YOU DO BEST.

FIRST, YOU CAN BUILD ON YOUR SUCCESSES. DURING THE 1980S, THE MANUFACTURING SECTOR OF OUR ECONOMY RETOOLED -- LITERALLY REVOLUTIONIZED THE WAY AMERICAN COMPANIES DO BUSINESS. THE RESULT: MANUFACTURING PRODUCTIVITY SHOT UP MORE THAN 35%. YOU HONED THE COMPETITIVE EDGE THAT ENABLED AMERICAN COMPANIES TO CAPTURE NEW MARKETS ABROAD -- AND KEEP CUSTOMERS SATISFIED HERE AT HOME. EXPORTS OF GOODS AND SERVICES HAVE EXPLODED -- IN REAL TERMS, UP MORE THAN 70% IN THE PAST FIVE YEARS. //

AS I PROMISED A FEW MOMENTS AGO, WE'LL KEEP WORKING IN WASHINGTON TO CREATE A GOOD CLIMATE FOR GROWTH. RIGHT NOW, INFLATION IS UNDER CONTROL: THAT'S ONE "STEALTH TAX" PEOPLE DON'T HAVE TO WORRY ABOUT. INTEREST RATES ARE LOWER NOW THAN THEY'VE BEEN IN YEARS. EARLIER THIS WEEK I CALLED FOR LOWER CREDIT CARD RATES, TO TAKE SOME OF THE STING OUT OF CONSUMER DEBT -- AND I'M PLEASED TO SEE SOME BANKS RESPONDING. FRANKLY, I HOPE MORE WILL FOLLOW SUIT -- REVIVE CONSUMER CONFIDENCE AND GIVE THIS ECONOMY A LITTLE KICK. //

TO IMPROVE THE BUSINESS CLIMATE, WE'LL KEEP WORKING TO DRIVE DOWN TRADE BARRIERS ABROAD, TO PURSUE A SOUND FISCAL POLICY AT HOME. WE'LL DO ALL WE CAN TO KEEP THE PLAYING FIELD LEVEL, TO CUT THROUGH THE RED TAPE AND NEEDLESS REGULATIONS. / YOU KEEP INNOVATING -- PIONEERING NEW PRODUCTS, SETTING NEW GOALS -- AND RISING TO THE CHALLENGE. IF BOTH OF US DO OUR JOBS, 1992 WILL MARK A NEW BEGINNING FOR AMERICAN BUSINESS -- A NEW ERA OF PROSPERITY FOR THE AMERICAN PEOPLE. //

2. IN AMERICA 2000, YOU SET OUT NATIONAL EDUCATION STRATEGIES, AND IN SECRETARY ALEXANDER AND DEPUTY SECRETARY KEARNS YOU HAVE SELECTED FINE PEOPLE TO LEAD THE EFFORT. WHAT CAN BUSINESS LEADERS DO TO HELP, AND WHAT ESPECIALLY CAN WE DO TO ACCELERATE THE PACE OF EDUCATION REFORM?

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SECOND, WE NEED YOUR HELP AS REFORMERS: THE BUSINESS COMMUNITY VOLUNTEERS MILLIONS OF HOURS SERVING AS MENTORS IN OUR SCHOOLS -- CONTRIBUTES BILLIONS OF DOLLARS SUPPLYING TECHNOLOGY AND SUPPORTING INNOVATIVE IDEAS IN EDUCATION. SOME OF YOU ARE HELPING TO FUND A REVOLUTIONARY EXPERIMENT IN EDUCATION REFORM CALLED THE NEW AMERICAN SCHOOLS INITIATIVE. EDUCATION OUGHT TO LEARN A LESSON FROM BUSINESS: IT'S TIME WE RECOGNIZE COMPETITION AND CHOICE CAN BE CATALYSTS FOR CHANGE. //

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THIRD, WE NEED YOUR HELP AS TEACHERS. I KNOW I'M PREACHING TO THE CHOIR ON THIS ONE, BECAUSE MANY OF YOUR COMPANIES ARE ALREADY LEADING THE WAY. BUT I URGE YOU ALL: GO INTO OUR SCHOOLS, SHARE YOUR WISDOM. AND DON'T STOP THERE: BRING THE CLASSROOM INTO YOUR COMPANIES. HELP THOSE WORKERS WHO DESPERATELY WANT TO LEARN HOW TO READ AND WRITE MASTER THE BASIC TOOLS OF LITERACY. HELP YOUR EMPLOYEES LEARN NEW SKILLS -- BETTER THEMSELVES -- FOR THE GOOD OF THEIR CAREERS AND YOUR COMPANIES.

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 11/14/91 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: OEOB TELECONFERENCE WITH THE FORTUNE 500 FORUM

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MCBRIDE</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

THE WHITE HOUSE

WASHINGTON

01 NOV 14 P3:03

November 14, 1991

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVE DEMAREST
TONY SNOW

FROM: DAN MC GROARTY *DMG*

SUBJECT: OEOB TELECONFERENCE WITH THE FORTUNE 500 FORUM

I. SUMMARY

On Friday, November 15, at 10:25 a.m. you will deliver remarks via satellite from Room 459, OEOB, to an audience of 150 CEOs and corporate leaders at the Fortune 500 Forum in Charleston, South Carolina.

A number of administration officials are participating in the three-day forum, including Secretary Martin (Friday morning), General Scowcroft (Friday afternoon) and Secretary Cheney (Friday evening).

II. DISCUSSION

Your remarks (approximately 7 minutes / teleprompter) focus on our long term growth initiatives, and highlight Congress' refusal to overhaul the antiquated bank system, act on key nominations, or vote on your package of growth initiatives.

Following your remarks, Fortune managing editor Marshall Loeb, and Fortune publisher Jim Hayes will each ask you one question. You will be provided talking points on cards.

McGroarty/Bunton
November 14, 1991
2:00 pm
[500]

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE
Rm. 459, OEOB
NOVEMBER 15, 1991
10:25 A.M.

Thank you, Jim [Hayes, publisher of Fortune]. // Greetings to Marshall Loeb -- and my thanks to all for this opportunity to address the people who produce a good chunk of the Gross National Product. // Bringing all of you together is a real service -- and proves once again why Fortune is one of America's leading economic indicators.

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Today I want to share my views about how we can get this economy growing: what we've been doing, what we've tried to do - - and finally, what we won't do. //

Let me start with our long-term growth strategy -- built on the principle of free and fair trade. You know first-hand that exports have become a driving force in our economy. Strong exports cushioned our economic downturn: Total gross exports last year accounted for virtually all of our growth. //

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But we can help right now. I'm pleased that we've been able to reach agreement with Congress on extending unemployment benefits in a way that doesn't break last year's budget agreement. But I'm sorry to say that -- beyond getting unemployment benefits to people in need -- every one of our efforts has hit a stone wall. That's right -- they're stuck inside the Beltway's version of the Bermuda Triangle: Capitol Hill. //

Start with the overhaul of our antiquated bank system. Every one of you knows how the problems in our banking system plague this economy. In March, I sent up to Congress the first comprehensive bank reform since the 1930s -- reforms that would bring American banks into the age of the ATM and the 800 number. // Congressmen, marching to the beat of special interests, systematically gutted our comprehensive reform bill -- then set it aside. [[UPDATE TO COME, PENDING OUTCOME OF THURSDAY'S LEGISLATIVE ACTION. //]]

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Q & A:

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innovating -- pioneering new products, setting new goals -- and rising to the challenge. If both of us do our jobs, 1992 will mark a new beginning for American business -- a new era of prosperity for the American people. //

2. In America 2000, you set out national education strategies, and in Secretary Alexander and Deputy Secretary Kearns you have selected fine people to lead the effort. What can business leaders do to help, and what especially can we do to accelerate the pace of education reform?

First, let me second the motion: I am fortunate to have Secretary Alexander at the helm -- and I'm delighted we managed to lure David Kearns from the upper reaches of the corporate world to take on a new challenge in America's classrooms.

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Thanks again, all of you, for allowing me to join you in Charleston.

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THE WHITE HOUSE

WASHINGTON

November 14, 1991

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVE DEMAREST
TONY SNOW

FROM: DAN MC GROARTY *DMG*

SUBJECT: OEOB TELECONFERENCE WITH THE FORTUNE 500 FORUM

I. SUMMARY

On Friday, November 15, at 10:25 a.m. you will deliver remarks via satellite from Room 459, OEOB, to an audience of 150 CEOs and corporate leaders at the Fortune 500 Forum in Charleston, South Carolina.

A number of administration officials are participating in the three-day forum, including Secretary Martin (Friday morning), General Scowcroft (Friday afternoon) and Secretary Cheney (Friday evening).

II. DISCUSSION

Your remarks (approximately 7 minutes / teleprompter) focus on our long term growth initiatives, and highlight Congress' refusal to overhaul the antiquated bank system, act on key nominations, or vote on your package of growth initiatives.

Following your remarks, Fortune managing editor Marshall Loeb, and Fortune publisher Jim Hayes will each ask you one question. You will be provided talking points on cards.

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DATE: 11/14/91 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: OEOB TELECONFERENCE WITH THE FORTUNE 500 FORUM

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MCBRIDE</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

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01 NOV 14 P3:03

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competitiveness
building a quality workforce
the need to get the deficit down
inflation rates down
expanding commitment to education & training*

short-run
cost gains
R&D
rates in place pick in
transportation

exports cushioned our economic downturn: Total gross exports last year accounted for virtually all of our growth. //

I know that many of you -- especially in the service sector and in agriculture -- pay a price for being closed out of foreign markets. We're pushing hard in the Uruguay Round to bring down trade barriers, to open more markets to American goods and services. // Jim Baker took the free trade message to Japan -- and I delivered it myself to the European Community last week at The Hague. / Closer to home, we've won fast track authority for a North American Free Trade Agreement linking the U.S., Canada and Mexico. Yesterday I met here at the White House with Argentina's President Carlos Menem. He's strong on our Enterprise for the Americas Initiative to transform this entire hemisphere into a free trade zone. // These solid, forward-looking initiatives will pay dividends down the road -- in increased growth, new markets for American products, new jobs for American workers. //

~~But we can help right now. I'm pleased that we've been able to reach agreement with Congress on extending unemployment benefits in a way that doesn't break last year's budget agreement. But I'm sorry to say that -- beyond getting unemployment benefits to people in need -- every one of our efforts has hit a stone wall. That's right -- they're stuck inside the Beltway's version of the Bermuda Triangle: Capitol Hill. //~~

Start with the overhaul of our antiquated bank system. Every one of you knows how the problems in our banking system plague this economy. In March, I sent up to Congress the first comprehensive bank reform since the 1930s -- reforms that would bring American banks into the age of the ATM and the 800 number.

~~// *But, Congress will head for home without enacting meaningful reform.* Congressmen, marching to the beat of special interests, systematically gutted our comprehensive reform bill -- then set it aside. [[UPDATE TO COME, PENDING OUTCOME OF THURSDAY'S LEGISLATIVE ACTION. //]]~~

unfortunately it looks like

~~We've been hamstrung on the federal level by the Senate's lack of action on key nominations. You as CEOs know you can't run your business without strong senior VPs. The same is true of the Federal government. Yet the Senate rejected Bob Clarke, my nominee for Comptroller of the Currency -- after eleven months, and 30,000 pages of documentation -- on a straight party-line vote. On the Fed, they're dragging their feet: it's been nearly four months since I nominated Alan Greenspan for a new term as Chairman -- and nine months since I named Larry Lindsay to fill the Fed's vacant seat. //~~

long-term short-term transition

For three years now, I've proposed a package of growth initiatives. Not just capital gains -- but incentives to encourage saving and investment; measures meant to help first-time buyers into that new home; enterprise zones to unleash the urban entrepreneur. Each one would give a sluggish economy a needed boost. ~~Congress won't even put them to a vote. ///~~

average 12% 91

Wang of quick fix solutions that will hurt the budget agreement

So far I've spoken about ways we're trying to turn things around. Now, let me tell you what we won't do. The first rule of economic policy puts me in mind of the Hippocratic oath: Do no harm. // We're going to resist ^{the quick fix} ~~buying in to the snake-oil~~ solutions out there -- from the folks who would have you believe they can reach in, flip a lever here turn a knob there, and fine-tune a five-trillion dollar economy. Pressure's building as we enter 1992 -- but let me say right now: we won't sacrifice long-term economic health for short-term political gain. > //

Once again, my thanks to all of you. / Now, Jim and Marshall, I'll be pleased to take some questions.

Under gentle conclusion

Q & A:

1. Mr. President, you can answer this question as generally or as specifically as you want. But the question is: "What should American business do in 1992?"

Let me register -- respectfully, of course -- a slight disagreement with the premise. I want to stay on the right side of history: When the communist bloc looks to Adam Smith, I'm not about to offer American business a 5-year plan or even a 1-year plan. [[If you think your industry has been hit hard -- remember, what a tough year it's been for Central Planners.]] //

Our system works best when independent enterprises take their cue from the market -- not from Washington. So in 1992,

what I want to see is simply this: I'd like to see you do what you do best.

First, you can build on your successes. During the 1980s, the manufacturing sector of our economy retooled -- literally revolutionized the way American companies do business. The result: manufacturing productivity shot up more than 35%. You honed the competitive edge that enabled American companies to capture new markets abroad -- and keep customers satisfied here at home. Exports of goods and services have exploded -- in real terms, up more than 70% in the past five years. //

As I promised a few moments ago, we'll keep working in Washington to create a good climate for growth. Right now, inflation is under control: that's one "stealth tax" people don't have to worry about. Interest rates are lower now than they've been in years. Earlier this week I called for lower credit card rates, to take some of the sting out of consumer debt -- and I'm pleased to see banks responding. *Frankly, I hope more* ~~will follow suit - give the system a little kick.~~ ~~will follow suit - give the system a little kick.~~ ~~CREDIT CARD CAPS? I support the Senate action to cap credit rates -- with one qualification: the caps must be responsive to the market.}}~~ ~~Across the board, lower rates are going to ease the credit crunch -- help companies expand and revive consumer confidence.~~ //

To improve the business climate, we'll keep working to drive down trade barriers abroad, to pursue a sound fiscal policy at home. We'll do all we can to keep the playing field level, to cut through the red tape and needless regulations. / You keep

innovating -- pioneering new products, setting new goals -- and rising to the challenge. If both of us do our jobs, 1992 will mark a new beginning for American business -- a new era of prosperity for the American people. //

2. In America 2000, you set out national education strategies, and in Secretary Alexander and Deputy Secretary Kearns you have selected fine people to lead the effort. What can business leaders do to help, and what especially can we do to accelerate the pace of education reform?

First, let me second the motion: I am fortunate to have Secretary Alexander at the helm -- and I'm delighted we managed to lure David Kearns from the upper reaches of the corporate world to take on a new challenge in America's classrooms.

We are serious about igniting a revolution in American education. Business can do a great deal to help us along the road to America 2000.

First, as "consumers:" You have a vested interest in the quality of American education. One element of America 2000 calls for bringing the corporate community into our classrooms. You can anchor our education reform in "real world" concerns -- bring the needs of the market to our schools.

Second, we need your help as reformers: The business community volunteers millions of hours serving as mentors in our schools -- contributes billions of dollars supplying technology and supporting innovative ideas in education. Some of you are

helping to fund a revolutionary experiment in education reform called the New American Schools initiative. Education ought to learn a lesson from business: it's time we recognize competition and choice can be catalysts for change. //

Let me extend an open invitation to all of you: Bring your ideas to the table -- help us break the mold -- reinvent American education to meet the needs of a new century.

Third, we need your help as teachers. Go into our schools, share your wisdom. But don't stop there. Bring the classroom into your companies. Help those workers who desperately want to learn how to read and write master the basic tools of literacy. Help your employees learn new skills -- better themselves -- for the good of their careers and your companies. //

If we've made a mistake in the past, it's been leaving education to the so-called "experts" -- cutting off our schools from the outside community. America 2000 breaks down those barriers. I see the business community as an ally -- a real agent for change. I salute all of you for what you're doing now -- and I challenge you to do more. //

Thanks again, all of you, for allowing me to join you in Charleston.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 11/13/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURS. 11/14/91 10:00 a.m

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE

SUBJECT: NOVEMBER 15, 1991 - 10:25 am

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	<u>MCCLURE</u> (BANKING FT)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
<u>DARMAN</u> p5	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>PORTER</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGICH</u> N/C	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	<u>SMITH</u> N/C	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DEMAREST</u> by phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>GRAY</u> N/C	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<u>HOLIDAY</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 10:00 a.m., THURSDAY, NOVEMBER 14, with a copy to this office. Thank you.

RESPONSE:

PORTER
~~Demarest~~
~~Holiday~~
 Boskin
 McClure
 Brady

Please give these
 office a "wake
 up" call
 at 8:30
 Thanks!

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

through the recession -- and last year, accounted for more than 80 percent of our growth. //

I know those of you in the service sector and the agriculture industry especially pay a price for being closed out of foreign markets. We're pushing hard to bring down trade barriers in the Uruguay Round, to open more markets to American goods and services. // Jim Baker took the free trade message to Japan -- and I delivered it myself to the European Community last week at The Hague. / Closer to home, we've won fast track authority for a North American Free Trade Agreement linking the U.S., Canada and Mexico. Yesterday I met here at the White House with Argentina's President Carlos Menem. He's strong on our Enterprise for the Americas Initiative to unite this entire hemisphere in the world's first free trade zone. // These solid, forward-looking initiatives will pay dividends down the road -- in increased growth, new markets for American products, new jobs for American workers. //

But we can help right now. {{I'm pleased that we've been able to reach agreement with Congress on extending unemployment benefits in a way that doesn't break last year's budget agreement.}} But I'm sorry to say that, beyond unemployment benefits, every one of our efforts has hit a stone wall. That's right -- they're stuck inside the Beltway's version of the Bermuda Triangle: Capitol Hill. //

Start with the overhaul of our antiquated bank system. Every one of you knows how the problems in our banking system

McGroarty/Bunton
November 13, 1991
2:30 pm
[500]

01 NOV 13 P3:11

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE
Rm. 459, OEOB
NOVEMBER 15, 1991
10:25 A.M.

Thank you, Jim [Hayes, publisher of Fortune]. // Greetings to Marshall Loeb -- and my thanks to all for this opportunity to address the people who produce a good chunk of the Gross National Product. // Bringing all of you together is a real service -- and proves once again why Fortune is one of America's leading economic indicators.

In the super-charged competitive atmosphere you call home, there's never room for complacency. The world doesn't care much about yesterday's track records -- it wants to find the restless man or woman with the next new idea. This year, a new element overshadows the normal quest for excellence. Times have been tough. As you look ahead, plan for the future, you worry about the economy.

Today I want to share my views about how we can turn this economy around: what we've been doing, what we've tried to do - and finally, what we won't do. //

Let me start with our long-term growth strategy -- built on the principle of free and fair trade. You know first-hand that exports have become the driving force in our economy. Strong exports cushioned our economic downturn: Exports increased right

Hold # (mcc)

plague this economy. In February, I sent up to Congress the first comprehensive bank reform since the 1930s -- reforms that would bring American banks into the age of the ATM and the 800 number. // Congressmen, marching to the beat of special interests, systematically gutted that bill -- then set it aside.

Now, Congress heads for adjournment with no bill in sight. //

We've been hamstrung on the federal level by the Senate's lack of action on key nominations. You as CEOs know you can't run your business without strong senior VPs. The same is true of the Federal government. Yet the Senate rejected Bob Clarke, my nominee for Comptroller of the Currency -- after eleven months, and 30,000 pages of documentation -- on a straight party-line vote. On the Fed, they're dragging their feet: it's been nearly four months since I nominated Alan Greenspan for a new term as Chairman -- and nine months since I named Larry Lindsay to fill the Fed's vacant seat. //

For three years now, I've proposed a package of growth initiatives. Not just capital gains -- but incentives like Family Savings Accounts to encourage saving; measures to help first-time buyers into that new home; enterprise zones to unleash the urban entrepreneur: Each one would give a sluggish economy a needed boost. Congress won't even put them to a vote. //

Time and again, Congress has failed to act. They say they're for competitiveness. Yet when we proposed the permanent extension of the Research and Experimentation Tax Credit -- Congress did nothing. The R&E Credit expired October 1st.

Hold
IP
Not
true --
may pass
bill to fix

Congressional leaders say they're for jobs. Yet October 1st marked the end of the Targeted Job Tax Credit -- a measure that helps the hard-core unemployed find work. // They say they're for housing. Yet the Low-Income Housing Tax Credit we sought to extend -- once again, expired October 1. //

So far I've spoken about ways we're trying to turn things around. Now, let me tell you what we won't do. The first rule of economic policy puts me in mind of the Hippocratic oath: Do no harm. // We're going to resist buying in to the snake-oil solutions out there -- from the folks who would have you believe they can reach in, flip a lever here turn a knob there, and fine-tune a five-trillion dollar economy. Pressure's building as we enter 1992 -- but let me say right now: we won't sacrifice long-term economic health to short-term political gain. //

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1. In America 2000, you set out national education strategies, and in Secretary Alexander and Deputy Secretary Kearns you have selected fine people to lead the effort. What can business leaders do to help, and what especially can we do to accelerate the pace of education reform?

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Third, we need your help as teachers. Go into our schools, share your wisdom. But don't stop there. Bring the classroom into your companies. Help those workers who desperately want to learn how to read and write master the basic tools of literacy. Help your employees learn new skills -- better themselves -- for the good of their careers and your companies. //

If we've made a mistake in the past, it's been leaving education to the so-called "experts" -- cutting off our schools from the outside community. America 2000 breaks down those barriers. I see the business community as an ally -- a real agent for change. I salute all of you for what you're doing now -- and I challenge you to do more.

2. Mr. President, you can answer this question as generally or as specifically as you want. But the question is: "What should American business do in 1992?"

Let me register -- respectfully, of course -- a slight disagreement with the premise. I want to stay on the right side of history: When the communist bloc looks to Adam Smith, I'm not about to offer American business a 5-year plan or even a 1-year plan. [[If you think your industry has been hit hard -- remember, what a tough year it's been for Central Planners.]] //

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First, you can build on your successes. During the 1980s, the manufacturing sector of our economy retooled -- literally revolutionized the way American companies do business. The result: productivity shot up more than 40%. You honed the competitive edge that enabled American companies to capture new markets abroad -- and keep customers satisfied here at home.

Exports have exploded -- in real terms, up more than 50% in the past five years. //

As I promised a few moments ago, we'll keep working in Washington to create a good climate for growth -- to drive down trade barriers abroad, to pursue a sane fiscal policy at home. We'll do all we can to keep the playing field level, to cut through the red tape and needless regulations. / You keep innovating -- pioneering new products, setting new goals -- and rising to the challenge. If both of us do our jobs, 1992 will mark a new beginning for American business -- a new era of prosperity for the American people. //

Thanks again, all of you, for allowing me to join you in Charleston.

#

Action: R. [unclear] B. Staiger
 Document No. 286055ss
 cc: DFB, PW & HMB

WHITE HOUSE STAFFING MEMORANDUM

91 NOV 14 P12:30

DATE: 11/13/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURS. 11/14/91 10:00 a.m.

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE

SUBJECT: NOVEMBER 15, 1991 - 10:25 am

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 10:00 a.m., THURSDAY, NOVEMBER 14, with a copy to this office. Thank you.

RESPONSE:

Clear no comment
RWS
11-14-91

Pages 2 and 7
PIL

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

McGroarty/Bunton
November 13, 1991
2:30 pm
[500]

01 NOV 13 P3:11

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE
Rm. 459, OEOB
NOVEMBER 15, 1991
10:25 A.M.

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Today I want to share my views about how we can turn this economy around: what we've been doing, what we've tried to do - - and finally, what we won't do. //

Let me start with our long-term growth strategy -- built on the principle of free and fair trade. You know first-hand that exports have become the driving force in our economy. Strong exports cushioned our economic downturn: Exports increased right

Calculated as 40% of
categories that grew

about half of
our growth

through the recession -- and last year, accounted for more than ~~80~~ ^{half} percent of our growth. //

I know those of you in the service sector and the agriculture industry especially pay a price for being closed out of foreign markets. We're pushing hard to bring down trade barriers in the Uruguay Round, to open more markets to American goods and services. // Jim Baker took the free trade message to Japan -- and I delivered it myself to the European Community last week at The Hague. / Closer to home, we've won fast track authority for a North American Free Trade Agreement linking the U.S., Canada and Mexico. Yesterday I met here at the White House with Argentina's President Carlos Menem. He's strong on our Enterprise for the Americas Initiative to unite this entire hemisphere in the world's first free trade zone. // These solid, forward-looking initiatives will pay dividends down the road -- in increased growth, new markets for American products, new jobs for American workers. //

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This can
be stronger:

NIPA REAL EXPORTS OF GOODS + SERVICES
+ 64%

REAL MERCHANDISE EXPORTS
+ 85%

7

Exports have exploded -- in real terms, up more than ~~50%~~ in the
past five years. //

60%

As I promised a few moments ago, we'll keep working in
Washington to create a good climate for growth -- to drive down
trade barriers abroad, to pursue a sane fiscal policy at home.
We'll do all we can to keep the playing field level, to cut
through the red tape and needless regulations. / You keep
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Thanks again, all of you, for allowing me to join you in
Charleston.

#

THE WHITE HOUSE
WASHINGTON

November 14, 1991

MEMORANDUM FOR TONY SNOW

FROM: ROGER B. PORTER *RBP*
SUBJECT: Presidential Remarks: Fortune 500 Teleconference

We have reviewed the attached remarks and have noted a few suggested changes and technical corrections on the draft.

✓ We also suggest that following the third paragraph on page 5 the following be added: "And education needs to borrow a lesson from business -- that competition and choice are catalysts for innovation and results. It empowers parents, challenges the status quo and enhances opportunities for all students."

If you have any questions or we can be of further assistance, please let us know.

cc: Phillip D. Brady

WHITE HOUSE STAFFING MEMORANDUM

11 NOV 14 P 1: 46

DATE: 11/13/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURS. 11/14/91 10:00 a.m.

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE

SUBJECT: NOVEMBER 15, 1991 - 10:25 am

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 10:00 a.m., THURSDAY, NOVEMBER 14, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

McGroarty/Bunton
November 13, 1991
2:30 pm
[500]

01 NOV 13 P3:11

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE
Rm. 459, OEOB
NOVEMBER 15, 1991
10:25 A.M.

Thank you, Jim [Hayes, publisher of Fortune]. // Greetings to Marshall Loeb -- and my thanks to all for this opportunity to address the people who produce a good chunk of the Gross National Product. // Bringing all of you together is a real service -- and proves once again why Fortune is one of America's leading economic indicators.

In the super-charged competitive atmosphere you call home, there's never room for complacency. The world doesn't care much about yesterday's track records -- it wants to find the restless man or woman with the next new idea. This year, a new element overshadows the normal quest for excellence. Times have been tough. As you look ahead, plan for the future, you worry about the economy.

Today I want to share my views about how we can turn this economy around: what we've been doing, what we've tried to do - - and finally, what we won't do. //

Let me start with our long-term growth strategy -- built on the principle of free and fair trade. You know first-hand that exports have become ^a~~the~~ driving force in our economy. Strong exports cushioned our economic downturn: Exports increased right

through the recession -- and last year, accounted for more than 80 percent of our growth. //

I know those of you in the service sector and ^{IN} ~~the~~ agriculture ~~industry~~ especially pay a price for being closed out of foreign markets. We're pushing hard to bring down trade barriers in the Uruguay Round, to open more markets to American goods and services. // Jim Baker took the free trade message to Japan -- and I delivered it myself to the European Community last week at The Hague. / Closer to home, we've won fast track authority for a North American Free Trade Agreement linking the U.S., Canada and Mexico. Yesterday I met here at the White House with Argentina's President Carlos Menem. He's strong ^{SUPPORTER OF} ~~on~~ our Enterprise for the Americas Initiative to ^{BRING FREE TRADE TO} ~~unite~~ this entire hemisphere, ~~in the world's first free trade zone.~~ // These solid, forward-looking initiatives will pay dividends down the road -- in increased growth, new markets for American products, new jobs for American workers. //

But we can help right now. {{I'm pleased that we've been able to reach agreement with Congress on extending unemployment benefits in a way that doesn't break last year's budget agreement.}} But I'm sorry to say that, beyond unemployment benefits, every one of our efforts has hit a stone wall. That's right -- they're stuck inside the Beltway's version of the Bermuda Triangle: Capitol Hill. //

Start with the overhaul of our antiquated bank system. Every one of you knows how the problems in our banking system

plague this economy. In February, I sent up to Congress the first comprehensive bank reform since the 1930s -- reforms that would bring American banks into the age of the ATM and the 800 number. // Congressmen, marching to the beat of special interests, systematically gutted that bill -- then set it aside.

~~Now, Congress heads for adjournment with no bill in sight.~~ //

We've been hamstrung on the federal level by the Senate's lack of action on key nominations. You as CEOs know you can't run your business without strong senior VPs. The same is true of the Federal government. Yet the Senate rejected Bob Clarke, my nominee for Comptroller of the Currency -- after eleven months, and 30,000 pages of documentation -- on a straight party-line vote. On the Fed, they're dragging their feet: it's been nearly four months since I nominated Alan Greenspan for a new term as Chairman -- and nine months since I named Larry Lindsay to fill

^a ~~the Fed's vacant seat~~ _{ON THE FED. // (Susan Phillips was just confirmed to a seat on the Fed.)}

For three years now, I've proposed a package of growth initiatives. Not just capital gains -- but incentives like Family Savings Accounts to encourage saving; measures to help first-time buyers into that new home; enterprise zones to unleash the urban entrepreneur: Each one would give a sluggish economy a needed boost. Congress won't even put them to a vote. //

Time and again, Congress has failed to act. They say they're for competitiveness. Yet when we proposed the permanent extension of the Research and Experimentation Tax Credit --

Congress did nothing. The R&E Credit ^{will} ~~expired October 1st.~~ ^{ON DECEMBER 31, 1991.}

WE WILL GET AT LEAST A NARROW RECAPITALIZATION BILL.

Will probably get a bill!



currently working out a tax proposal for the R&E credit

will ON DECEMBER 31, 1991.

DECEMBER 31, 1991
 December 31, 1991

will Congressional leaders say they're for jobs. Yet ~~October 1st~~ marked the end of the Targeted Job Tax Credit -- a measure that helps the hard-core unemployed find work. // They say they're for housing. Yet the Low-Income Housing Tax Credit we sought to extend -- ~~once again, expired October 1.~~ *DECEMBER 31.* //

So far I've spoken about ways we're trying to turn things around. Now, let me tell you what we won't do. The first rule of economic policy puts me in mind of the Hippocratic oath: Do no harm. // We're going to resist buying in to the snake-oil solutions out there -- from the folks who would have you believe they can reach in, flip a lever here turn a knob there, and fine-tune a five-trillion dollar economy. Pressure's building as we enter 1992 -- but let me say right now: we won't sacrifice long-term economic health to short-term political gain. //

Once again, my thanks to all of you. / Now, Jim and Marshall, I'll be pleased to take some questions.

Q & A:

1. In America 2000, you set out national education strategies, and in Secretary Alexander and Deputy Secretary Kearns you have selected fine people to lead the effort. What can business leaders do to help, and what especially can we do to accelerate the pace of education reform?

First, let me second the motion: I am fortunate to have Secretary Alexander at the helm -- and I'm delighted we managed

to lure David Kearns from the upper reaches of the corporate world to take on a new challenge in America's classrooms.

We are serious about igniting a revolution in American education. Business can do a great deal to help us along the road to America 2000.

First, as "consumers:" You have a vested interest in the quality of American education. One element of America 2000 calls for bringing the corporate community into our classrooms. You can anchor our education reform in "real world" concerns -- bring the needs of the market to our schools.

Second, we need your help as reformers: The business community volunteers millions of hours serving as mentors in our schools -- contributes billions of dollars supplying technology and supporting innovative ideas in education. Some of you are helping to fund a revolutionary experiment in education reform called the New American Schools initiative. Let me extend an open invitation to all of you: Bring your ideas to the table -- help us break the mold -- reinvent American education to meet the needs of a new century.

Third, we need your help as teachers. Go into our schools, share your wisdom. But don't stop there. Bring the classroom into your companies. Help those workers who desperately want to learn how to read and write master the basic tools of literacy. Help your employees learn new skills -- better themselves -- for the good of their careers and your companies. //

If we've made a mistake in the past, it's been leaving education to the so-called "experts" -- cutting off our schools from the outside community. America 2000 breaks down those barriers. I see the business community as an ally -- a real agent for change. I salute all of you for what you're doing now -- and I challenge you to do more.

2. Mr. President, you can answer this question as generally or as specifically as you want. But the question is: "What should American business do in 1992?"

Let me register -- respectfully, of course -- a slight disagreement with the premise. I want to stay on the right side of history: When the communist bloc looks to Adam Smith, I'm not about to offer American business a 5-year plan or even a 1-year plan. [[If you think your industry has been hit hard -- remember, what a tough year it's been for Central Planners.]] //

Our system works best when independent enterprises take their cue from the market -- not from Washington. So in 1992, what I want to see is simply this: I'd like to see you do what you do best.

First, you can build on your successes. During the 1980s, the manufacturing sector of our economy retooled -- literally revolutionized the way American companies do business. The result: productivity shot up more than 40%. You honed the competitive edge that enabled American companies to capture new markets abroad -- and keep customers satisfied here at home.

Exports have exploded -- in real terms, up more than 50% in the past five years. //

✓
Sound
As I promised a few moments ago, we'll keep working in Washington to create a good climate for growth -- to drive down trade barriers abroad, to pursue a ^{RESPONSIBLE} ~~same~~ fiscal policy at home. We'll do all we can to keep the playing field level, to cut through the red tape and needless regulations. / You keep innovating -- pioneering new products, setting new goals -- and rising to the challenge. If both of us do our jobs, 1992 will mark a new beginning for American business -- a new era of prosperity for the American people. //

Thanks again, all of you, for allowing me to join you in Charleston.

#

WHITE HOUSE STAFFING MEMORANDUM

91 NOV 14 AID: 12

DATE: 11/13/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURS. 11/14/91 10:00 a.m

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE


SUBJECT: NOVEMBER 15, 1991 - 10:25 am

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

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RESPONSE: Comments from Cabinet Affairs are attached.

Thanks,

 Elizabeth Luttig

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

McGroarty/Bunton
November 13, 1991
2:30 pm
[500]

01 NOV 13 P3:11

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Fortune is NOT an economic indicator or statistic

In the super-charged competitive atmosphere you call home, there's never room for complacency. The world doesn't care much about yesterday's track records -- it wants to find the restless man or woman with the next new idea. This year, a new element overshadows the normal quest for excellence. Times have been tough. As you look ahead, plan for the future, you worry about the economy.

Today I want to share my views about how we can turn this economy around: what we've been doing, what we've tried to do -- and finally, what we won't do. //

Let me start with our long-term growth strategy -- built on the principle of free and fair trade. You know first-hand that exports have become ~~the driving~~ ^{a strong} force in our economy. Strong exports cushioned our economic downturn: Exports increased right

Note: exports have fallen off - are not the driving force. (Treasury)

Total gross Treasury

X

through the recession -- and last year, accounted for more than ^{virtually all (recession)} 80 percent of our growth. //

^{more than 80% (Treasury)} I know ^{that many (OCA)} these of you, ^{including those (OCA)} in the service sector and the agriculture industry, especially pay a price for being closed out of foreign markets. We're pushing hard ^(Treasury) to bring down trade barriers in the Uruguay Round, to open more markets to American goods and services. // Jim Baker ^{and Carla Hills (WTR)} took the free trade message to Japan -- and I delivered it myself to the European Community last week at The Hague. / Closer to home, ^{were working toward (OCA)} ~~we've won fast track~~

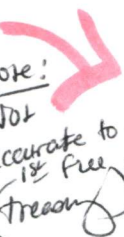
~~authority for~~ a North American Free Trade Agreement linking the ^{and have won agreement from Congress to use the fast track process to give us an up-or-down vote on the final deal. (OCA)} U.S., Canada and Mexico. Yesterday I met here at the White House with Argentina's President Carlos Menem. He's strong on our Enterprise for the Americas Initiative to unite this entire hemisphere in ^{to} ~~the world's first~~ ^a free trade zone. // These solid, forward-looking initiatives will pay dividends down the road -- in increased growth, new markets for American products, new jobs for American workers. //

But we can help right now. {{I'm pleased that we've been able to reach agreement with Congress on extending unemployment benefits in a way that doesn't break last year's budget agreement.}} But I'm sorry to say that, beyond unemployment benefits, every one of our efforts has hit a stone wall. That's right -- they're stuck inside the Beltway's version of the Bermuda Triangle: Capitol Hill. //

Start with the overhaul of our antiquated bank system. Every one of you knows how the problems in our banking system

NOTE: More than 80% (Treasury)

NOTE: Not accurate to say world's free zone (Treasury)



plague this economy. In February, I sent up to Congress the first comprehensive bank reform since the 1930s -- reforms that would bring American banks into the age of the ATM and the 800 number. // Congressmen, marching to the beat of special

interests, systematically gutted that bill -- then set it aside. ^{NOTE:} And as of yet, they have ~~not~~ ^{not} completed ~~it~~ ^{their task}. Now, Congress heads for adjournment with no bill in sight. // } Congress is set to vote on this today

We've been hamstrung on the federal level by the Senate's lack of action on key nominations. You as CEOs know you can't run your business without strong senior VPs. The same is true of the Federal government. Yet the Senate rejected Bob Clarke, my nominee for Comptroller of the Currency -- after eleven months, and 30,000 pages of documentation -- on a straight party-line vote. On the Fed, they're dragging their feet: it's been nearly four months since I nominated Alan Greenspan for a new term as Chairman -- and nine months since I named Larry Lindsay to fill the Fed's vacant seat. //

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Time and again, Congress has failed to act. They say they're for competitiveness. Yet when we ^{hand Treasury} proposed the permanent extension of the Research and Experimentation Tax Credit ~~and~~

^{so business could plan based on stable rules -- Congress has given us two temporary} ~~Congress did nothing.~~ The R&E Credit expired October 1st.

→ extensions and we may NOT even get that this time around. (Treasury)

NOTE: the Family Savings Proposed in 1990, Nov 3 yrs. ago (Treasury)

acc. was

~~Congressional leaders say they're for jobs. Yet October 1st marked the end of the Targeted Job Tax Credit -- a measure that helps the hard-core unemployed find work. // They say they're for housing. Yet the Low-Income Housing Tax Credit we sought to extend -- once again, expired October 1. //~~

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these
provisions
expire
Dec. 31st
Not Oct. 1
(Treasury)

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insert here before pay.
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X
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X
 Third, we need your help as teachers. Go into our schools, share your wisdom. But don't stop there. Bring the classroom into your companies. Help those workers who desperately want to learn how to read and write master the basic tools of literacy. Help your employees learn new skills -- better themselves -- for the good of their careers and your companies. //

X
 You should work with your state legislatures to remove barriers to changing education and be part of your state or community 2000 effort who are working to transform their schools. (Education)

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First, you can build on your successes. During the 1980s, the manufacturing sector of our economy retooled -- literally revolutionized the way American companies do business. The result: ^{Manufacturing} productivity shot up ^{treas} more than ^{35% (Treas)} ~~40%~~. You honed the competitive edge that enabled American companies to capture new markets abroad -- and keep customers satisfied here at home.

of goods and services (Commerce)

1990 (Commerce)

Exports have exploded -- in real terms, up more than 50% in the past five years. //

As I promised a few moments ago, we'll keep working in Washington to create a good climate for growth -- to drive down trade barriers abroad, to pursue a sane fiscal policy at home. We'll do all we can to keep the playing field level, to cut through the red tape and needless regulations. / You keep innovating -- pioneering new products, setting new goals, -- and rising to the challenge. If both of us do our jobs, 1992 will mark a new beginning for American business -- a new era of prosperity for the American people. //

driving for world class quality responding to your customers Needs, Education

Thanks again, all of you, for allowing me to join you in Charleston.

#

insert for teleconference

One last comment:

Yesterday the House overwhelmingly passed unemployment benefits legislation and sent it ~~over~~ to the Senate. My message to the Senate is simple and direct: people are hunting out there - if they are to ~~see~~ receive a check ~~by~~ ~~virtue of this legislation~~ before

Thanksgiving - the Senate must get this bill to me ~~set~~ today. I want to see this ~~bill~~ legislation on my desk today. ^{legislation that meets the criteria I've laid out -} ~~so~~ ~~that~~ ~~we~~ ~~can~~ ~~get~~ ~~the~~ ~~checks~~ ~~moving~~ ~~immediately~~

FORT 800