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# FOIA MARKER

**This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.**

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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 File, 1989-1993

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**OA/ID Number:** 13590  
**Folder ID Number:** 13590-005

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**Folder Title:**  
Fortune 500 Forum Teleconference 11/15/91 [OA 6039] [2]

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Stack:	Row:	Section:	Shelf:	Position:
<b>G</b>	<b>26</b>	<b>17</b>	<b>4</b>	<b>5</b>

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**WHITE HOUSE STAFFING MEMORANDUM**

91 NOV 14 P12:18

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:

*Mention the low rate of inflation*  


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

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

01 NOV 17 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

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

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.

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. //

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. //

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.

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SUBJECT: NOVEMBER 15, 1991 - 10:25 am

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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"/>
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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"/>
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RESPONSE:

*See Comments -*

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

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

31 NOV 13 P3:11

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2

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Handwritten note in a circle:   
Larry  
Bart

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.~~ // *Not correct*

✓  
Ryder  
X4516

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*Extension was proposed last year but not in the Bush prior budget (nor in Reagan budget) you may want to omit so 1993 budget options are not constrained Scully X5178*

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# # #

91 NOV 14 11:43

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

PRESIDENTIAL REMARKS: FORTUNE 500 TELECONFERENCE

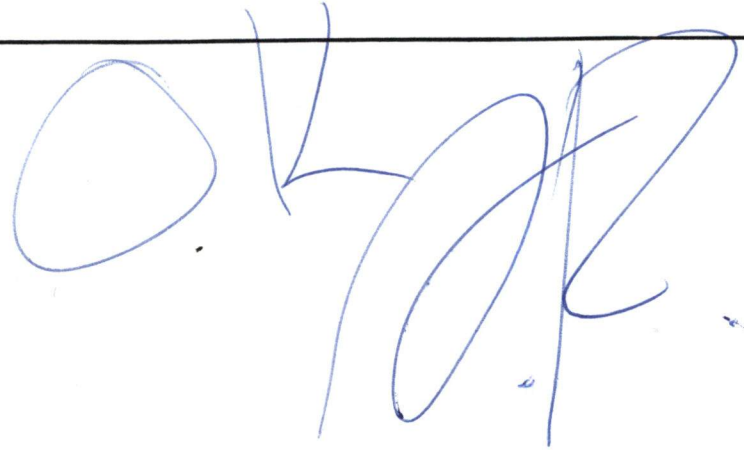
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
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 Ext. 2702

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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. //

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.

# # #



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THE SITUATION ROOM

PRECEDENCE: IMMEDIATE  
PRIORITY  
ROUTINE

RELEASER: ABLR

DTG: 132244Z

MESSAGE NO. 07 CLASSIFICATION UNCLASS PAGES 20  
FROM Nancy Benson 456-2931 1220E08  
(Name) (Phone Number) (Room No.)

MESSAGE DESCRIPTION \_\_\_\_\_

TO (Agency)	DELIVER TO:	DEPT/ROOM NO.	PHONE NUMBER
<u>Christina Martin</u>	<u>St Louis</u>		

REMARKS \_\_\_\_\_

URGENT !!

McGroarty/Bunton  
November 13, 1991  
2:30 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.

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

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

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.

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. //

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.

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

# # #

(Duggan/Simon)  
November 13, 1991  
Draft One  
Excellence

PRESIDENTIAL REMARKS: HISPANIC EDUCATION PANEL  
ROOSEVELT ROOM  
THURSDAY, NOVEMBER 14, 1991

First, I regret that it has taken so long from the time this panel was first envisioned to today's meeting. I pledge to make up for lost time. The Hispanic community is a high priority for Lamar and for all of us. It's clear to me that in [chairman] Andres Bande you have a go-getter who won't rest until your commission truly achieves a major contribution to excellence in education for Hispanic Americans.

By the year 2000, Hispanic Americans will have a higher profile in this country -- and a prouder one. Everyone will recognize Hispanic Americans as the pivotal community in the economic growth that is going to arise from new trade with Mexico and other Latin American countries.

But it won't stop at that. Hispanic Americans will confound the pessimists and lead a revolution to improve their children's education. The Hispanic community's greatest strengths also happen to be critical ingredients in educational success. Take the primacy of the family, for instance. Our America 2000 strategy for educational excellence focusses on empowering parents and families, who care more than anyone else about our children.

We'll draw on your expertise in education, your business acumen, and your community pride. By the end of the decade, we'll see the Hispanic community in the vanguard of the New

American Schools -- schools that again make United States  
education the best in the world.

Thank you.

# # #

Grant/Aarhus  
A:Turkey Draft two  
November 12, 1991

**BRIEF REMARKS: THANKSGIVING TURKEY PRESENTATION  
THE ROSE GARDEN  
WEDNESDAY, NOVEMBER 20, 1991**

[Acknowledgements; Turkey Federation reps.]

Welcome to the White House. ((Before I came outside, I read on my schedule: "11:45 -- Turkey in the Rose Garden." I didn't know if I was supposed to eat my lunch, // meet the prime minister -- of Turkey, that is, // or veto a spending bill.))

((I asked Sig if he thought there might be an image problem with this event today. He said no, the turkey should survive it.))

((Every year, we get a lot of questions as to why the turkey looks so exhausted. // It's easy -- we just locked him in a room for half an hour with Helen Thomas.))

((However, I do not think it's necessary to point out -- true story -- that this particular turkey comes from Iowa, and that his name is Tom. //))

Thanksgiving Day is a big holiday for the Bush family, as it is for most Americans. As everybody sits down at the table, we think back on the past year and thank God for all that was good and right in our lives, and we pray for strength and guidance in the coming year.

I remember attending last year's Turkey Ceremony, before going off to the Persian Gulf to share Thanksgiving Dinner with our troops in the Saudi desert. For many families, the memory of

last Thanksgiving must seem very distant. Next Thursday will be a great day, a sort of homecoming, for many families: full of pride for our brave servicemen and women, and happiness at having them at the table -- at home -- some, for the first time in two years. To each and every one of them, I say again what I said to them in the desert that day: **Thank you. Thank you for standing for freedom, for our security, and for peace in the world.**

To the families of those who gave their lives in the line of duty, we say thank you, too -- for we will always be grateful to them and to you.

As we thank the Lord for His blessings of freedom, security, and peace, we also remember those Americans who are out of work ... in poor health ... or just plain lonely. We seek solutions to the problems facing our Nation -- most of all, the repair of hope and an end to hunger and homelessness.

Like the Pilgrims at Plymouth, and the early colonists at Jamestown, New Amsterdam and St. Augustine, we too thank the Lord for sustaining us through times of peril and hardship. America is unlike any other Nation on Earth, and we must never take for granted God's abundant blessings upon our land and our people. That is what makes Thanksgiving such a uniquely American holiday.

And so, with that said, I am pleased to sign the Thanksgiving proclamation for 1991. [SIGN PROCLAMATION]

Before I invite the kids up here to see the turkey, let me say that I've also granted the traditional Presidential Pardon to this turkey, so you can rest assured he will not be on anybody's

dinner table next week. Instead, he'll live out his days gobbling away at a children's petting farm.

So happy Thanksgiving everyone, and come on up, kids.

# # #

(Smith/Grossman)  
November 12, 1991  
Draft Four  
NRCC

PRESIDENTIAL REMARKS: NRCC LUNCHEON  
HOTEL  
TUESDAY, NOVEMBER 19, 1991

Barbara Morris-Lent -- congratulations on today's dinner. /  
Kent Kies, chairman of the President's Forum. / Chairman of the  
NRCC -- my good friend Guy Vander Jagt, and his wife Carol. /  
Let me also salute your co-chairman, and another son of Michigan  
-- Spencer Abraham, along with his wife and NRCC comrade in arms  
(literally), Jane. / It's exciting to see you all. // Of  
course, more than eighty Republican members of the House. //  
Above all, I want to thank each of you for your support of the  
National Republican Congressional Committee. //

This is the third straight year I have participated in this  
event sponsored by the NRCC. The first was held to honor that  
great Son of Illinois, House Republican Leader Bob Michel. Last  
year, we honored the ranking Republican members of the House. //  
There's a Latin phrase, primus inter pares -- it means "First  
among equals." Today, we honor men and women who are all first  
among equals -- every single GOP member of the House of  
Representatives. //

I begin with a news flash, and a pledge. ((There's a lot of  
speculation about when I'll make an official announcement about  
running in 1992, so I guess today is as good a time as any. //

I'm following a regimen that'll have me running two miles a day, and four on weekends.)) //

((Now the pledge: I'm not going to speak for long. You have to get back to your jobs -- and I have to get back to my reading. // Recently, I began Mikhail Gorbachev's book about the overthrow in Moscow. / Of course, the book I'm really waiting for is about the overthrow in the New Jersey legislature.)) //

I am here to say: Today New Jersey, tomorrow the Congress. // If democracy can come to Moscow, it can come to the House of Representatives. / Of course, the Democrats won't just roll over. We will have to take our fight and our issues to the people. But the times are right / and our policies are right. Americans want to liberate themselves from the tired old ideals of the liberal elite, and get a chance to make the American Dream a reality -- in the workplace, at home, in the schools, and on the streets. //

Let's talk about a few of the issues that separate Republicans from the other party. First, the economy. //

Americans want more growth / more jobs / more prosperity. We want to help those who have lost their jobs. We want to help them get new jobs -- better jobs. //

For months, I have pressed Congress to pass a growth package. But liberal Democrats like the old ways and old days. And they seem determined to delay / distort / and destroy our programs. For months they fiddled while recession loomed. Now, we have a recession -- and Democrats seem more interested in

playing the tired old game of class warfare than in appealing to people's abilities and ambitions.

Go to the industrial Midwest. They will tell you America deserves better than liberals who won't even permit a vote on our capital gains tax cut. / Travel to the small towns of Vermont. Ask if they think economic growth should be blocked by one-party control of Congress. / The liberals continue to demagogue on the economy -- exploiting people's misery in order to hustle a few votes. We waited two months for an unemployment insurance bill. Liberal leaders evidently believed that it made "good politics" to train a spotlight on people's misery, instead of stepping forward and helping them. They decided to foment economic insecurity and to foster animosity across race and income lines. America deserves better. //

Since 1956, Democrats have controlled the House. Because they have been unaccountable, they have become irresponsible. // Liberals don't seem to understand that Federal money is your money, not theirs. And they don't seem to believe that the law of the land also ought to apply to the lawmakers. // ((Everyone here knows that with all the pious talk by some Democrats on sexual harrassment -- the senate, as that debate went on, had exempted itself from the very sexual harrassment laws everyone else has to live by?)) Well, they can't exempt themselves from responsibility -- and our chief duty now is to stop carping and start taking common-sense steps to get the economy moving.

Democrats have spent enough time stimulating economic fear. The American people deserve hope -- and action. //

I'll be more specific. Today, I challenge Congressional Democrats to pass our growth package: A cut in the capital gains tax rate, banking reform, personal savings incentives, the creation of a permanent R&D tax credit, and increased investment in science, technology, and infrastructure. //

To the fear-mongers in the House and Senate, I say: If you really care about fairness, think about this. Able, willing men and women want jobs -- but they don't have them because Congress thinks that prosperity might help the rich. They focus on creating enemies, rather than on creating jobs. Here's fairness: jobs for people who want to work, and tax rates that let them keep the lion's share of their hard-earned money. //

((All of this reminds me of that old joke -- you know what you get when you play country music backwards? You get your job back, your wife back, your dog back . . . Well, you know what you get when you throw the Democrats out of Congress? You get your job back, your pride back, your country back.)) ///

Republicans know that prosperity comes not from the growth of government -- but from the growth of opportunity. When someone wants a job, they don't apply to George Mitchell. They rely on people who make a product, meet a payroll, and try to build toward greatness, one step at a time. So let's restore some common sense to economic policy -- and let's demand passage of our growth package.

You don't have to look far to understand that the American people want a change. They think something has gone rotten in Washington, and they're right. On important business, this town has shut down, and we can get it moving again only by electing Republican majorities to the House and Senate.

You've heard that great moderate, Teddy Kennedy, say we don't have a domestic agenda. What he really means is we don't have his domestic agenda. // We never will have his agenda as long as I am President. // I am not going to do to America what liberals have done to the cause of good government. //

The Democrats' stall strategy has gone on long enough. Think, for a moment, about Bob Gates. For four months, the Democratic Congress held up his nomination. //

Remember Clarence Thomas. He went through a living purgatory because he dared think for himself. But do you know what? There came a moment when he stopped pandering and talked about his beliefs. At that moment, his would-be Inquisitors just plain vanished -- looked down at their desks, tapped their fingers nervously. Congress tried to replace the policy of advise and consent with the politics of search and destroy. // But they learned the hard way that one tactic always wins: the truth -- plain, unrepentant, defiant. If we do one thing next year, let's restore civility and tolerance to American politics. Help me elect Republicans who will bring decency and fair play back to the United States Congress. //

Larry Lindsey remains a hostage to special interests on the Hill. Here we have important economic business to do, and liberal Democrats just want to stall -- even on a key appointment to the Federal Reserve Board. The liberal Democrats use the tired old device of the Senatorial hold -- and in the process they put our economy in a stranglehold.

Listen to these facts. // On March 20, I sent banking reform legislation to Congress. That was 238 days ago. No bill. / On March 11, I sent Congress crime legislation to take hoods off the streets. That was 247 days ago. No bill. // On March 4, I sent up energy legislation. That was 254 days ago -- no bill. // On February 13, up went our transportation legislation. That was 273 days ago -- you guessed it, no bill. //

[[For two years Congress has blocked attempts to support a Constitutional Amendment restoring voluntary prayer to our schools. ]] // For two years I've prodded Congress to pass our Educational Excellence Act -- and over the last six months our America 2002 program. All of us know America's schools aren't making the grade. // We need more Republicans so that Congress won't continue to flunk the test. //

In each case, Democrats have pandered to special interests, NEA -- NOW -- ACLU -- the soft-on-crime crowd -- and, yes, that misnamed group, People for the American Way. // Our interests are different. We are concerned about America's interests. Nowhere is that more true than in foreign policy.

Most liberals never met a defense cut they didn't like. Remember all the talk about a "peace dividend?" If we had invested that dividend a year ago, the world would be at war.

Think of liberal Democrats over the last 20 years. They were wrong about the Mayaguez / wrong about the Shah of Iran / they were wrong about the peaceniks, freeznicks, and wrong about Peace Through Strength. They were wrong about Libya / wrong about Grenada / wrong as you can be about the Strategic Defense Initiative. // Talk about a gang who, literally, can't shoot straight. // If we had followed the Democrats' advice, Saddam Hussein would be in Saudi Arabia as I speak.

Now, they're at it again. They want me to ignore my own responsibilities in the area of foreign policy, as if Americans had no stake in the rest of the world -- as if this great melting pot of ours had no ties to our ancestral homes.

When I work to crack protectionism to create more American jobs and economic growth, is that foreign or domestic policy?

When drugs threatened our very survival as a people, I went to Columbia to protect the lives of our children. Is stopping drug abuse foreign or domestic?

When a brutal tyrant invaded Kuwait -- we helped roll back aggression and liberate a land. Was this victory foreign or domestic? Desert Storm made America a better place. I am proud of our troops. They made ours a better world. //

There's a Texas saying, "Dance with the one who brung you." Our policies have helped bring America to peace and democracy

undreamt of in human history. // Let us take this message to America: If you like what we've done abroad, elect more Republicans and we'll do the same at home. //

We don't demagogue. We deliver. // We don't posture. We produce. With your support, we can produce a great victory for Republicans, and for America. //

Thank you for your prayers and your help. Together, let's do even more in the months ahead. Let's set off our own Revolution in 1992, and usher in the era of new ideas -- and real solutions. Let's make 1992 the Year of the Republican, so that we can kick off an Age of Opportunity. // Thank you. God bless you, and the United States of America.

# # # #

## 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"/>	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 checked="" 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]

31 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

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

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. //

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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 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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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?"

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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. //

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.

# # #

McGroarty/Bunton  
November 13, 1991  
2:30 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.

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

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

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.

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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. //

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# # #

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.

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 ANY ACTIONS TAKEN BY THE FEDERAL GOVERNMENT  
ARE FUNDMENTALLY SOUND.

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 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. 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

FINALLY, WE'VE GOT TO MAKE CERTAIN AMERICAN  
BUSINESSES COMPETE ON AN EQUAL FOOTING -- AND THAT  
MEANS A GOVERNMENT COMMITTED TO THE PRINCIPLES OF FREE  
AND FAIR TRADE. LET ME FOCUS FOR A MOMENT ON THIS  
ISSUE. / 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.

//

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. //

I'M CONFIDENT OUR LONG-TERM STRATEGY IS ON TARGET. BUT THERE ARE STEPS WE'VE GOT TO TAKE RIGHT NOW -- NO MORE DELAY. / LET'S 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 1930'S -- REFORMS THAT WOULD BRING AMERICAN BANKS INTO THE MODERN AGE. AND EVEN THOUGH THE CONGRESS IS HEADING TOWARD RECESS, WE WILL KEEP PRESSING FOR THESE FUNDAMENTAL AND IMPORTANT REFORMS. //

THE SAME GOES FOR OUR OTHER KEY PROPOSALS. FOR THREE YEARS NOW, I'VE PROPOSED A PACKAGE OF GROWTH INITIATIVES. NOT JUST CAPITAL GAINS -- BUT INCENTIVES TO ENCOURAGE SAVING, LIKE OUR FAMILY SAVINGS ACCOUNTS. INCREASED INCENTIVES FOR R&D TO HELP KEEP AMERICAN BUSINESS COMPETITIVE. MEASURES TO HELP FIRST-TIME BUYERS TAP THEIR IRA'S TO BUY THAT NEW HOME; ENTERPRISE ZONES TO UNLEASH THE URBAN ENTREPRENEUR. EACH ONE OF THESE INITIATIVES WOULD GIVE A SLUGGISH ECONOMY A NEEDED BOOST. //

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.

ONE LAST COMMENT: YESTERDAY THE HOUSE OVERWHELMINGLY PASSED UNEMPLOYMENT BENEFITS LEGISLATION AND SENT IT TO THE SENATE. MY MESSAGE TO THE SENATE IS SIMPLE AND DIRECT: PEOPLE ARE HURTING OUT THERE -- IF THEY ARE TO RECEIVE A CHECK BEFORE THANKSGIVING -- THE SENATE MUST GET THIS BILL TO ME TODAY. I WANT TO SEE THIS LEGISLATION -- LEGISLATION THAT MEETS THE CRITERIA I'VE LAID OUT -- ON MY DESK TODAY.

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?

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. 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.

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.

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