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FOIA MARKER

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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

OA/ID Number: 13599
Folder ID Number: 13599-005

Folder Title:
Cabletron - New Hampshire 1/15/92 [OA 6096]

Stack:	Row:	Section:	Shelf:	Position:
G	26	17	5	7

THE WHITE HOUSE
WASHINGTON

January 14, 1992

MEMORANDUM FOR THE PRESIDENT

FROM: TONY SNOW *TS*
SUBJECT: REMARKS AT CABLETRON

I. SUMMARY

On Wednesday, January 15, at 2:05 p.m., you will give brief remarks at Cabletron, a manufacturer of computer networking equipment in Rochester, N.H. About 300 employees will be assembled in the plant's cafeteria.

II. DISCUSSION

The remarks (14 minutes, on cards) discuss the importance of trade to the economy, and offers a credibility test to measure candidates' economic plans.

(Snow/Simon)
CABLETRON
DRAFT SIX
JANUARY 14, 1992

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
2:05 p.m.

[Introductory acknowledgments]

[jokes]

First, thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year, but you've certainly flourished.

You've also done it the old fashioned way: You had an idea. You took huge risks. You worked hard. You believed in your product. And you succeeded.

The American economy depends on companies like Cabletron -- companies that start small and grow by offering a good product at a good price. In eight years, Cabletron has gone from a gleam in the eyes of Bob Levine and Craig Benson to one of the fastest-growing firms in America. Your sales have jumped 275 thousand percent in eight years -- not bad. You don't have any debt -- you've built an impressive cash reserve. No wonder Cabletron has become a regular feature on the pages of the business magazines: Forbes, Inc., Business Week, Money. I guess you can think of yourselves as capitalist centerfolds. \\

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in 11 different industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are very enthusiastic about the new opportunities these agreements have created. They know that good, competitive American companies won't stop and complain. They'll jump at the chance to get new business.

We live in an entirely different world than the one that existed when I took the oath of office. The Cold War has drawn to a close, and we've entered an Age of Competition -- an era in which nations will define their strength through intellectual and economic competition.

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. Exports provide nearly ten percent of the Granite State's jobs. This state exports \$1.2 billion in goods each year -- \$176

million of that to the four nations I just visited. The U.S.-Canada Free Trade Agreement -- negotiated by Republicans -- has proved a major boon to New Hampshire, especially its high tech industries. We're pushing other agreements, like the North American Free Trade Agreement and the Enterprise for the Americas Initiative, that will create even greater market opportunities for you.

Engagement in the larger world means opportunity and jobs. That should seem obvious, but some politicians stumping this state seem to believe that America's destiny is to run away from the rest of the world.

Protectionism is defeatism born of fantasy. Most people who embrace protectionism -- economic isolationism -- cling to a past that never existed. They pine for the good old days -- and fret about the future. It's time to give these Chicken Littles a wake-up call. The world's moving ahead, and I will lead America into the future that American workers, American soldiers and American ideals made possible.\\

You've heard some candidates talk about "America first." Well, the cry, "America first" is a call to man the lifeboats -- a nationalized version of "Women and children first."

America First isolationists look out at the world, and see enemies on every plot of land. I look beyond our borders and see opportunities for future greatness. Isolationists look at America and see weakness. I see people eager to do the hard work of freedom. My friends, isolationism is the malaise politics of

the 1990s -- a one-size-fits-all indictment of American workers and families. America First is a recipe for America last.

I came here four years ago and said: Read my lips. No new taxes. I also said I'd do my best to get runaway federal spending under control.

So in 1990 I asked Congress to cut the growth of federal spending and federal debt.

My negotiators insisted on holding the line on spending and taxes. Democrats said: "Read our lips. We want taxes." They refused to negotiate any spending cuts or spending controls unless we put taxes on the table.

Then came August. Saddam invaded Kuwait and Democrats wanted deeper defense cuts than we'd proposed. Gramm-Rudman restrictions threatened to slash our defense budget at a time when I had decided to send brave men and women to the Gulf.

I made the tough call -- the right call. For all the controversy, the budget deal accomplished some very important things.

We didn't raise personal income-tax rates for most Americans, and we didn't raise the top rates.

We preserved indexation, which meant that no one would be punished by bracket creep. So in spite of the Democrats, your cost-of-living pay increases go to you.

We got tough new enforceable caps on domestic discretionary spending and a pay-as-you-go system to stop the growth of new

entitlement programs. In other words, we got a mechanism for getting spending under control.

That discipline enabled the Federal Reserve to lower interest rates. As a result, people will save \$45 billion this year by refinancing their mortgages. That's \$45 billion in people's pockets and bank accounts.

Now, no Republican President likes to raise taxes. Ronald Reagan sure didn't when he had to. And I hated doing it in 1990. But I'll say now what I said then: The problem in Washington isn't a Republican President. It's a Democratic Congress determined to stop me.

From Day One I have fought to lower taxes -- and I'll continue that fight.

I've pushed for positive incentives for growth: investment in education, investment in research and development, investment in infrastructure, investment in technologies of the future, and incentives for companies to invest more in building the products and innovations of the 21st Century. I'll continue that fight.

I've tried to slash away at regulation, which cost the U.S. economy nearly \$200 billion last year -- and I won't quit. I've fought to open foreign markets -- and you ain't seen nothing yet. And I've fought to make sure that we live in a world where we can worry about market shares instead of nuclear holocaust.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President. You'll have to decide which are election-year fluff -- and which will work.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it make economic sense? Will the plan get the economy moving again and safeguard American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national economic policies -- low taxes, no unnecessary regulations; good roads, bridges and infrastructure.

Second: Does it make America more competitive?

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs.

Third point: Does it address your basic concerns: Does it protect what you want protected, promote what you want promoted? A good economic plan should preserve the value of your hard-won assets -- your home, your income, your retirement savings.

It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family.

Point four: Does the plan get Washington's house in order? All over America, companies have abandoned the old ways of doing things. They've devoted themselves to innovation and quality.

Don't you think it's time government caught up? Government must stop living in the past. Government must improve its product quality, get its spending under control, and eliminate programs that don't work or that duplicate other programs. Taxpayers deserve to get their money's worth for the \$1 trillion they pay out in taxes.

So, to repeat my four-point test: Does it make economic sense? Does it make America more competitive? Does it address your basic concerns? Does it get government's house in order?

When people shake your hands, call you by your first name and try to sell you an economic plan, put them to this test. Listen carefully to my competition, and listen to what I have to say. Frankly, I'm counting on you to sort out fact from fiction -- and rhetoric from reality.

My friends, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices. When you face the choice of who shall lead, you've got to demand the leader who understands the real world, who understands business and international relations -- and whose instincts and experience will keep America Number One.

I've really enjoyed my visit here. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

CLOSE HOLD

Document No. 299768

WHITE HOUSE STAFFING MEMORANDUM

92 JAN 14 P4:11

DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: CABLETRON
SUBJECT: WEDNESDAY, 1/15/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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:

SENSITIVE

CLOSE HOLD

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

THE WHITE HOUSE
WASHINGTON

92 JAN 14 P2:44

January 14, 1992

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FROM: TONY SNOW *TS*
SUBJECT: REMARKS AT CABLETRON

I. SUMMARY

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I've really enjoyed my visit here. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

CLOSE HOLD

Document No. 298768ss -- add on

0245 alo

WHITE HOUSE STAFFING MEMORANDUM



DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, TODAY, JAN. 14

SUBJECT: INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON SYSTEMS, INC.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
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DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 provide comments directly to Tony Snow, Rm. 122, x2930, with a copy to this office NO LATER THAN NOON, TODAY, TUESDAY, JANUARY 14. Thank you.

RESPONSE:

January 14, 1992

SENSITIVE

CLOSE HOLD

NSC concurs with changes as noted.

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

cc: Phillip Brady

Brent Scowcroft
Brent Scowcroft

INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON, INC.

I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going. You may even remember a famous line from my acceptance speech at the Republican Convention: "Read my lips. No new taxes."

Since taking office, I have pushed the Democrats in Congress again and again to cut taxes, reduce regulations and put in place some measures to hold the line on spending. They haven't been interested.

In 1990 I asked Congress to help cut the growth of federal debt -- which was too high then, and is too high now. Week after week my negotiators tried to hold the line -- to get sensible spending cuts with no new taxes. But the Democrats insisted on raising taxes -- and refused to negotiate any spending cuts or spending controls unless we put taxes on the table.

(This may be seen as a new excuse for a bad deal by critics)

~~In the midst of the domestic negotiations, Saddam invaded Kuwait. Congressional bargainers threatened to let the Gramm-Rudman spending caps to slash our defense budget at just the time my advisers and I were preparing to send brave men and women to the Gulf.~~

!?! |

I made the tough call, but I did the right thing. We didn't raise personal income-tax rates for most Americans; and for upper-income Americans we kept effective rates low by getting rid of the so-called "bubble."

We preserved indexation, which meant that no one would be punished by bracket creep. So in spite of the Democrats, you

Prosperity and full sovereignty
and full sovereignty
one Saddam is gone.

don't pay an inflation tax. Your cost-of-living pay increases go to you, not to the federal government.

We also got tough new enforceable caps on domestic discretionary spending and a pay-as-you-go system to stop the growth of new entitlement programs.

Let me add, if we did not have the new budget enforcement system, the Federal Reserve might not have been able to lower short-term interest rates without driving up long term rates. But the Fed has been able to lower both. As a result, people will save \$45 billion this year just by refinancing their mortgages.

Today, Saddam is hunkered down in Baghdad, and the only ones who live in fear of him are his food tasters.

Transition.
Does it fit?

More Iraqis are resisting his

Now, no Republican President likes to raise taxes. Ronald Reagan sure didn't when he had to. And I hated doing so in 1990. I knew that I would catch a lot of heat for it. I knew that it would become a big issue in this year's election. I even knew that I would face hostile fire from some of my old friends in New Hampshire. But let me tell you, the problem in Washington isn't a Republican President. It's a Democratic Congress. If we'd had a Republican Congress in 1990, we'd be talking today about the wonderful effects of our cuts on capital gains and other taxes that hamper growth. We'd be talking about New Hampshire's boom.

At least everyone -- even the opposition party -- now agrees that the worst thing we could do to the economy would be to raise taxes on anybody.

More and more Iraqis are resisting his tyranny, his regime is weak and isolated and under international scrutiny and sanction. We reiterate our pledge to

Prosperity and full sovereignty
Iraqi people and army to work with a new leadership to restore Iraqi

THE WHITE HOUSE

WASHINGTON

92 JAN 14 P 1: 55

January 14, 1992

MEMORANDUM FOR TONY SNOW

FROM:

ROGER B. PORTER *RBP*

SUBJECT:

Presidential Remarks: Cabletron Systems, Inc.
Rochester, New Hampshire

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

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

cc: Phillip D. Brady

CLOSE HOLD

Document No. 298768ss



WHITE HOUSE STAFFING MEMORANDUM

DATE: 1/13/92 ACTION/CONCURRENCE/COMMENT DUE BY: TUESDAY, 1/14/92 11:00 am

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.

ROCHESTER, NH - WEDNESDAY, 1/15/92

SUBJECT:

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 11:00 a.m., TUESDAY, JANUARY 14, with a copy to this office. Thank you.

RESPONSE:

SENSITIVE

CLOSE HOLD

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

(Snow/Simon)
CABLETRON
DRAFT THREE
JANUARY 13, 1992

92 JAN 13 P5:35

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

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You've also done it the old fashioned way: You had an idea. You took huge risks. You worked hard. You believed in your product. And you succeeded.

The American economy depends on smaller companies like Cabletron -- smaller companies that keep getting larger by offering a good product at a good price. In eight years, ^{CABLETRON} you've gone from a gleam in the eyes of Bob Levine and Craig Benson to one of the fastest-growing firms in America. Your sales have jumped 275 thousand percent in eight years -- not bad. You don't have any debt -- you've built an impressive cash reserve. No wonder Cabletron has become a regular feature on the pages of the business magazines: Forbes, Inc., Business Week, Money. I guess you can think of yourselves as capitalist centerfolds. \\

Here's something else I find impressive: Everyone who works for Cabletron owns stock. In an age when stockholders of other companies complain about lacking access to the leaders and the

leaders lacking any accountability to shareholders, you work side by side. That's great. It also gives you even greater incentive to be the best.

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in 11 different industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are ^{VERY} really enthusiastic about their ^{THESE AGREEMENTS MAKE POSSIBLE.} new opportunities. They know that ^{COMPETITIVE} good, ~~fit~~ American companies won't stop and complain. They'll use those openings to build even greater markets for themselves.

~~We live in an entirely different world than the one that~~ ^{THE} ~~existed when I took the oath of office!~~ ^{IS CHANGING RAPIDLY} ~~The Cold War has drawn~~ ^{GLOBAL OPPORTUNITY} ~~to a close,~~ ^{IS OVER} and we've entered an Age of ~~Competition~~ ^{COMPETITION.} -- an era in which nations will define their strength ~~in terms of their ideas~~ ^{THROUGH INTELLECTUAL} and economic ~~strength.~~

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in

winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. The Granite State's unemployment rate would be twice what it is if you didn't have such a vigorous export business. This state exports \$1.2 billion in goods each year -- \$168 million of that to the four nations I just visited.

People here understand that engagement in the larger world means opportunity and jobs. You also understand that protectionism really is nothing more than defeatism -- a fear that America can't compete in the new market-oriented world.

Most people who embrace protectionism -- ^{AND} ~~which is really~~ economic isolationism -- put a bear hug around the past. They pine for the good old days -- and fret about the future. Well, it's time to give these Chicken Littles a wake-up call. ~~Like it~~ ^{or not,} the world's moving ahead, and we intend to stay in the lead. I'll leave the past to others. I plan to lead America into the future that American workers, American soldiers and American ideals made possible.\\

You've heard some candidates talk about "America first." Well, America First is a sure recipe for America last. Its proponents offer nothing but the stale old politics of malaise. Everywhere, they see signs of weakness. The cry, "America first" is a call to man the lifeboats -- a nationalized version of "Women and children first." Well, I've seen hard times around

this country, but I haven't seen weakness. Everywhere, I see people eager to do the hard work of freedom.

That includes me. The economy is my top priority -- always has been. I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic ~~boom~~^{RECOVERY} going.

In a little less than two weeks, I'll deliver my State of the Union Address and I'll lay out my plan to ~~get America up to speed~~^{REVITALIZE AMERICA'S ECONOMY.}. That plan will address our short-term needs, but it also will lay a foundation for long-term leadership in the world marketplace.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President, and you'll have to decide which are election-year fluff -- and which will get America moving.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it ~~make economic sense?~~^{STIMULATE THE INVESTMENT NECESSARY TO CREATE JOBS?} Will the plan get the economy moving again and safeguard American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national economic policies -- low taxes, no unnecessary regulations; good roads, bridges and infrastructure.

Second: Does it ~~make America more competitive?~~^{INCREASE AMERICA'S CAPACITY TO COMPETE IN A GLOBAL ECONOMY}?

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that ~~good~~^{good} American companies can expand their base and create good jobs. I've been trying to do these things from the day I took office. ~~Look it up.~~

Third point: Does it ~~address your basic concerns?~~^{STOP THE SLIDE IN REAL ESTATE VALUES AND INCREASE} Does it protect what you want protected, promote what you want promoted? A good economic plan should preserve the value of your hard-won assets -- your home, you^r income, your retirement savings -- rather than letting bad policies nibble away at them.

HOME SAVES?

It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family. No one should have to go broke taking care of these basic necessities.

Point four: Does ~~the plan get Washington's house in order?~~^{IT CONTROL WASTEFUL GOVERNMENT SPENDING AND BRING THE} All over America, companies have abandoned the old ways of doing things, and they've invented entirely new ways. The key is quality. That's the key to your success.

DEFICIT UNDER CONTROL?

It's time government stopped living in the past. We need to improve our product quality, put a lid on government spending and get rid of programs that don't work or that duplicate other programs. Taxpayers deserve to get their money's worth for the \$1.4 trillion they pay out in taxes.

So, to repeat my four-point, common-sense test: Does it make economic sense? Does it make America more competitive? Does it

address your basic concerns? Does it get government's house in order?

In this election year, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices.

As Always, I've ~~really~~^g enjoyed my visit here. You ~~really~~^{TRULY} are leading the way to America's future, and you should be proud. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

(Snow/Simon)
CABLETRON
DRAFT EIGHT
JANUARY 14, 1992

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
2:05 p.m.

Thanks, Craig and Bob -- the Tom Selleck and Arnold Schwarzenegger of the high-tech world. \\ Thanks also, to Gov. Judd Gregg for telling me about Cabletron. I'm also proud to be here with Sen. Bob Smith and Congressman Bill Zeliff.

Thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year. I've visited Newington and Exeter already today, and I've met with a pretty good cross section of people from across the state. They haven't been bashful in letting me know how they feel. \\

But you've certainly flourished. Congratulations on today's announcement: two plants and another 200 jobs for New Hampshire. That's great news. \\

But it's not surprising. Cabletron has thrived the old fashioned way: You had an idea. You took risks. You worked hard. You believed in your product. And you succeeded.

The American economy depends on firms like Cabletron -- companies that start small and grow by offering a good product at a good price. In eight years, Cabletron has gone from a company in Bob's garage to one of the fastest-growing firms in America. Your sales have jumped 275 thousand percent in eight years.

You don't have any debt -- you've built an impressive cash reserve. No wonder Cabletron has become a regular feature on the pages of the business magazines: Forbes, Inc., Business Week, Money. I guess you can think of yourselves as capitalist centerfolds. \\

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are very enthusiastic about the opportunities these agreements create. They know that good, competitive American companies won't stop and complain. They'll jump at the chance to get new business.

Since I took office, the Cold War has drawn to a close. Our children no longer have to worry about the threat of nuclear holocaust. American ideals have triumphed through the long struggle for freedom. The United States has become the undisputed leader of the world.

So we now face a new of world -- one in which nations will define their strength through intellectual and economic competition. Here, ideas and confidence count -- and companies like Cabletron can make their mark.

Just as America led the way in winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. Exports provide nearly 35,000 jobs in the Granite State, and your export business grew by more than nine percent last year. This state exported \$1.2 billion in goods in 1991 to 107 nations. \$176 million of that involves the four countries I just visited. When I went to Asia, I fought for jobs. I fought for our future.\\

But then, I've fought for open markets for years. The U.S.-Canada Free Trade Agreement -- negotiated by Republicans -- has proved a major boon to New Hampshire, especially its high-tech industries.

We're pushing other agreements, like the North American Free Trade Agreement and the Enterprise for the Americas Initiative, that will create even greater market opportunities for you.

Engagement in the larger world means opportunity and jobs. That should seem obvious, but some politicians seem to believe that America's destiny is to run away from the rest of the world.

Protectionism is defeatism born of fantasy. Most people who embrace protectionism -- economic isolationism -- cling to a past that never existed. They pine for the good old days -- and fret about the future. It's time to give these Chicken Littles a wake-up call. The world's moving ahead, and I will lead America into the future that American workers, American soldiers and American ideals made possible.\\

Isolationists look out at the world, and see enemies on every plot of land. I look beyond our borders and see opportunities for future greatness. Isolationists look at America and see weakness. I see people eager to do the hard work of freedom. My friends, isolationism is the malaise politics of the 1990s -- a one-size-fits-all indictment of American workers and families.

Well, I've seen the American people -- their strength, their values, their determination. I'm confident not just that we'll move out of the recession, but that we'll prosper as never before.

As President, I have always tried to build upon our greatness as a people. From Day One I have fought to build a stronger, more prosperous America.

I've fought over and over to lower taxes -- and I'll continue that fight.

I've pushed for positive growth incentives: investment in education, investment in research and development, investment in infrastructure, investment in technologies of the future, and incentives for companies to invest more in building the products and innovations of the 21st Century. I'll continue that fight.

I've tried to slash away at regulation, which cost the U.S. economy nearly \$200 billion last year -- and I won't quit. I've fought to open foreign markets -- and you ain't seen nothing yet. And I've fought to make sure that we live in a world where we can worry about market shares instead of nuclear holocaust.

As New Hampshireites, you'll hear lots of economic proposals from people who want to become President. You'll have to decide which are election-year fluff -- and which will aren't.

I will announce the specifics of my economic growth plan -- a plan for now and the future -- in my State of the Union Address. That plan, and any other credible plan, must pass five tests:

One: It must stimulate the investment necessary to create jobs.

Two: It must stop the slide in real-estate values and increase home sales.

Three: It must give Americans confidence that they will be able to afford the costs of raising a family, educating their children, and obtaining health care.

Four: It must increase America's capacity to compete in a global economy.

And five: It must control wasteful government spending and bring the deficit under control.

Some politicians seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs," in the title.

But prosperity doesn't come from gimmicks. You work hard, and you produce a quality product at a good price. You know that everyone must carry their weight. You're doing your part. Government ought to do the same. Taxpayers deserve to get their money's worth for the \$1 trillion they pay out in taxes.

I know New Hampshire. I've been your neighbor for years. I've come here as a candidate, as a vice president, and now as a President. I've bunked at people's houses, visited old friends, worked and played here. I know that we share the same values. We believe in hard work. We believe in family. We believe in decency. We believe in patriotism. We believe in action and straight talk. And most of all, we believe in ourselves.

Some of the politicians around here have just discovered the Granite State. They feel like strangers in a strange land, and frankly, some of them sound like it. When they shake your hands, call you by your first name and try to sell you an economic plan, apply your healthy skepticism. Listen carefully to my competition, and listen to what I have to say. I'm counting on you to sort out fact from fiction -- and rhetoric from reality.

My friends, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices. When you face the choice of who shall lead, you've got to demand the leader who understands the real world, who understands business and international relations -- and whose instincts and experience will keep America Number One.

I've really enjoyed this visit. Let me tell you -- we'll do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

CLOSE HOLD

Document No. 298768ss

WHITE HOUSE STAFFING MEMORANDUM

92 JAN 14 P1:11



DATE: 1/13/92 ACTION/CONCURRENCE/COMMENT DUE BY: TUESDAY, 1/14/92 11:00 am

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.

SUBJECT: ROCHESTER, NH - WEDNESDAY, 1/15/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 11:00 a.m., TUESDAY, JANUARY 14, with a copy to this office. Thank you.

RESPONSE:

No comment

SENSITIVE

CLOSE HOLD

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

(Snow/Simon)
CABLETRON
DRAFT THREE
JANUARY 13, 1992

32 JAN 13 P5:35

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

First, thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year, but you've certainly flourished.

You've also done it the old fashioned way: You had an idea. You took huge risks. You worked hard. You believed in your product. And you succeeded.

The American economy depends on smaller companies like Cabletron -- smaller companies that keep getting larger by offering a good product at a good price. In eight years, you've gone from a gleam in the eyes of Bob Levine and Craig Benson to one of the fastest-growing firms in America. Your sales have jumped 275 thousand percent in eight years -- not bad. You don't have any debt -- you've built an impressive cash reserve. No wonder Cabletron has become a regular feature on the pages of the business magazines: Forbes, Inc., Business Week, Money. I guess you can think of yourselves as capitalist centerfolds. \\

Here's something else I find impressive: Everyone who works for Cabletron owns stock. In an age when stockholders of other companies complain about lacking access to the leaders and the

leaders lacking any accountability to shareholders, you work side by side. That's great. It also gives you even greater incentive to be the best.

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in 11 different industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are really enthusiastic about their new opportunities. They know that good, fit American companies won't stop and complain. They'll use those openings to build even greater markets for themselves.

We live in an entirely different world than the one that existed when I took the oath of office. The Cold War has drawn to a close, and we've entered an Age of Competition -- an era in which nations will define their strength in terms of their ideas and economic strength.

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in

winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. The Granite State's unemployment rate would be twice what it is if you didn't have such a vigorous export business. This state exports \$1.2 billion in goods each year -- \$168 million of that to the four nations I just visited.

People here understand that engagement in the larger world means opportunity and jobs. You also understand that protectionism really is nothing more than defeatism -- a fear that America can't compete in the new market-oriented world.

Most people who embrace protectionism -- which is really economic isolationism -- put a bear hug around the past. They pine for the good old days -- and fret about the future. Well, it's time to give these Chicken Littles a wake-up call. Like it or not, the world's moving ahead, and we intend to stay in the lead. I'll leave the past to others. I plan to lead America into the future that American workers, American soldiers and American ideals made possible.\\

You've heard some candidates talk about "America first." Well, America First is a sure recipe for America last. Its proponents offer nothing but the stale old politics of malaise. Everywhere, they see signs of weakness. The cry, "America first" is a call to man the lifeboats -- a nationalized version of "Women and children first." Well, I've seen hard times around

this country, but I haven't seen weakness. Everywhere, I see people eager to do the hard work of freedom.

That includes me. The economy is my top priority -- always has been. I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going.

In a little less than two weeks, I'll deliver my State of the Union Address and I'll lay out my plan to get America up to speed. That plan will address our short-term needs, but it also will lay a foundation for long-term leadership in the world marketplace.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President, and you'll have to decide which are election-year fluff -- and which will get America moving.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it make economic sense? Will the plan get the economy moving again and safeguard American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national economic policies -- low taxes, no unnecessary regulations; good roads, bridges and infrastructure.

Second: Does it make America more competitive?

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs. I've been trying to do these things from the day I took office. Look it up.

Third point: Does it address your basic concerns: Does it protect what you want protected, promote what you want promoted? A good economic plan should preserve the value of your hard-won assets -- your home, your income, your retirement savings -- rather than letting bad policies nibble away at them.

It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family. No one should have to go broke taking care of these basic necessities.

Point four: Does the plan get Washington's house in order? All over America, companies have abandoned the old ways of doing things, and they've invented entirely new ways. The key is quality. That's the key to your success.

It's time government stopped living in the past. We need to improve our product quality, put a lid on government spending and get rid of programs that don't work or that duplicate other programs. Taxpayers deserve to get their money's worth for the \$1.4 trillion they pay out in taxes.

So, to repeat my four-point, common-sense test: Does it make economic sense? Does it make America more competitive? Does it

address your basic concerns? Does it get government's house in order?

In this election year, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices.

I've really enjoyed my visit here. You really are leading the way to America's future, and you should be proud. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

CLOSE HOLD

Document No. 298768ss -- add on

WHITE HOUSE STAFFING MEMORANDUM

DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, TODAY, JAN. 14

SUBJECT: INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON SYSTEMS, INC.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 provide comments directly to Tony Snow, Rm. 122, x2930, with a copy to this office NO LATER THAN NOON, TODAY, TUESDAY, JANUARY 14. Thank you.

RESPONSE:

SENSITIVE

CLOSE HOLD

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

CLOSE HOLD

Document No. 298768ss

WHITE HOUSE STAFFING MEMORANDUM

92 JAN 13 P7:19

DATE: 1/13/92 ACTION/CONCURRENCE/COMMENT DUE BY: TUESDAY, 1/14/92 11:00am

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.

SUBJECT: ROCHESTER, NH - WEDNESDAY, 1/15/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
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BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 11:00 a.m., TUESDAY, JANUARY 14, with a copy to this office. Thank you.

RESPONSE:

SENSITIVE

CLOSE HOLD

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

CLOSE HOLD

Document No. 298768ss

WHITE HOUSE STAFFING MEMORANDUM

32 JAN 14 9:30



DATE: 1/13/92 ACTION/CONCURRENCE/COMMENT DUE BY: TUESDAY, 1/14/92 11:00am

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.

SUBJECT: ROCHESTER, NH - WEDNESDAY, 1/15/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 11:00 a.m., TUESDAY, JANUARY 14, with a copy to this office. Thank you.

RESPONSE:

SENSITIVE

CLOSE HOLD

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

(Snow/Simon)
CABLETRON
DRAFT THREE
JANUARY 13, 1992

32 JAN 13 P5:35

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

First, thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year, but you've certainly flourished.

You've also done it the old fashioned way: You had an idea. You took huge risks. You worked hard. You believed in your product. And you succeeded.

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leaders lacking any accountability to shareholders, you work side by side. That's great. It also gives you even greater incentive to be the best.

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in 11 different industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are really enthusiastic about their new opportunities. They know that good, fit American companies won't stop and complain. They'll use those openings to build even greater markets for themselves.

We live in an entirely different world than the one that existed when I took the oath of office. The Cold War has drawn to a close, and we've entered an Age of Competition -- an era in which nations will define their strength in terms of their ideas and economic strength.

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in

winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

A very negative way of highlighting the importance of exports!

New Hampshire has taken up the challenge of competition. Exports account for ~ 10% of NH's economy. The Granite State's unemployment rate would be twice what it is

if you didn't have such a vigorous export business. This state exports \$1.2 billion in goods each year -- \$168 million of that to the four nations I just visited.

People here understand that engagement in the larger world means opportunity and jobs. You also understand that protectionism really is nothing more than defeatism -- a fear that America can't compete in the new market-oriented world.

Most people who embrace protectionism -- which is really economic isolationism -- put a bear hug around the past. They pine for the good old days -- and fret about the future. Well, it's time to give these Chicken Littles a wake-up call. Like it or not, the world's moving ahead, and we intend to stay in the lead. I'll leave the past to others. I plan to lead America into the future that American workers, American soldiers and American ideals made possible.\

You've heard some candidates talk about "America first." Well, America First is a sure recipe for America last. Its proponents offer nothing but the stale old politics of malaise. Everywhere, they see signs of weakness. The cry, "America first" is a call to man the lifeboats -- a nationalized version of "Women and children first." Well, I've seen hard times around

this country, but I haven't seen weakness. Everywhere, I see people eager to do the hard work of freedom.

That includes me. The economy is my top priority -- always has been. I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going.

In a little less than two weeks, I'll deliver my State of the Union Address and I'll lay out my plan to get America up to speed. That plan will address our short-term needs, but it also will lay a foundation for long-term leadership in the world marketplace.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President, and you'll have to decide which are election-year fluff -- and which will get America moving.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it make economic sense? Will the plan get the economy moving again and safeguard American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national economic policies -- low taxes, no unnecessary regulations; good roads, bridges and infrastructure.

Second: Does it make America more competitive?

Mustn't
raise
expectations
too
high.

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs. I've been trying to do these things from the day I took office. Look it up.

Third point: Does it address your basic concerns: Does it protect what you want protected, promote what you want promoted? A good economic plan should preserve the value of your hard-won assets -- your home, your income, your retirement savings -- rather than letting bad policies nibble away at them.

It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family. No one should have to go broke taking care of these basic necessities.

Point four: Does the plan get Washington's house in order? All over America, companies have abandoned the old ways of doing things, and they've invented entirely new ways. The key is quality. That's the key to your success.

It's time government stopped living in the past. We need to improve our product quality, put a lid on government spending and get rid of programs that don't work or that duplicate other programs. Taxpayers deserve to get their money's worth for the \$1.4 trillion they pay out in taxes.

So, to repeat my four-point, common-sense test: Does it make economic sense? Does it make America more competitive? Does it

address your basic concerns? Does it get government's house in order?

In this election year, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices.

I've really enjoyed my visit here. You really are leading the way to America's future, and you should be proud. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

CLOSE HOLD

Document No. 298768ss -- add on


WHITE HOUSE STAFFING MEMORANDUM



92 JAN 14 P1:11

DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, TODAY, JAN. 14

SUBJECT: INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON SYSTEMS, INC.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input 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 provide comments directly to Tony Snow, Rm. 122, x2930, with a copy to this office NO LATER THAN NOON, TODAY, TUESDAY, JANUARY 14. Thank you.

RESPONSE:

See comments

SENSITIVE

CLOSE HOLD

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

Too Apologetic
Howard
4/6/57

INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON, INC.

I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going. You may even remember a famous line from my acceptance speech at the Republican Convention: "Read my lips. No new taxes."

Since taking office, I have pushed the Democrats in Congress again and again to cut taxes, reduce regulations and put in place some measures to hold the line on spending. They haven't been interested.

In 1990 I asked Congress to help cut the growth of federal debt -- which was too high then, and is too high now. Week after week my negotiators tried to hold the line -- to get sensible spending cuts with no new taxes. But the Democrats insisted on raising taxes -- and refused to negotiate any spending cuts or spending controls unless we put taxes on the table.

In the midst of the domestic negotiations, Saddam invaded Kuwait. Congressional bargainers threatened to ~~let the Gramm-Rudman spending caps to~~ slash our defense budget at just the time my advisers and I were preparing to send brave men and women to the Gulf.

Howard
4/6/57

I made the tough call, but I did the right thing. We didn't raise personal income-tax rates for most Americans; and for upper-income Americans we kept effective rates low by getting rid of the so-called "bubble."

We preserved indexation, which meant that no one would be punished by bracket creep. So in spite of the Democrats, you

don't pay an inflation tax. Your cost-of-living pay increases go to you, not to the federal government.

We also got tough new enforceable caps on domestic discretionary spending and a pay-as-you-go system to stop the growth of new entitlement programs.

Let me add, if we did not have the new budget enforcement system, the Federal Reserve might not have been able to lower short-term interest rates without driving up long term rates. But the Fed has been able to lower both. As a result, people will save \$45 billion this year just by refinancing their mortgages.

Today, Saddam is hunkered down in Baghdad, and the only ones who live in fear of him are his food tasters.

Now, no Republican President likes to raise taxes. Ronald Reagan sure didn't when he had to. And I hated doing so in 1990. I knew that I would catch a lot of heat for it. I knew that it would become a big issue in this year's election. I even knew that I would face hostile fire from some of my old friends in New Hampshire. But let me tell you, the problem in Washington isn't a Republican President. It's a Democratic Congress. If we'd had a Republican Congress in 1990, we'd be talking today about the wonderful effects of our cuts on capital gains and other taxes that hamper growth. We'd be talking about New Hampshire's boom.

At least everyone -- even the opposition party -- now agrees that the worst thing we could do to the economy would be to raise taxes on anybody.

CLOSE HOLD

Document No. 298768ss -- add on

WHITE HOUSE STAFFING MEMORANDUM

80 JAN 14 P12:52



DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, TODAY, JAN. 14

SUBJECT: INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON SYSTEMS, INC.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 provide comments directly to Tony Snow, Rm. 122, x2930, with a copy to this office NO LATER THAN NOON, TODAY, TUESDAY, JANUARY 14. Thank you.

RESPONSE:

Comments from Cabinet Affairs are attached.

SENSITIVE

CLOSE HOLD

Thank you,
Gordon Lundy

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

INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON, INC.

I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going. You may even remember a famous line from my acceptance speech at the Republican Convention: "Read my lips. No new taxes."

Since taking office, I have pushed the Democrats in Congress again and again to cut taxes, reduce regulations and put in place some measures to hold the line on spending. They haven't been interested. *all cut regulations Congress legislate*

In 1990 I asked Congress to help cut the growth of federal debt -- which was too high then, and is too high now. Week after week my negotiators tried to hold the line -- to get sensible spending cuts with no new taxes. But the Democrats insisted on raising taxes -- and refused to negotiate any spending cuts or spending controls unless we put taxes on the table.

In the midst of the domestic negotiations, Saddam invaded Kuwait. Congressional bargainers threatened ^{to let} the Gramm-Rudman spending caps ^{take effect and} ~~to slash~~ our defense budget at just the time my advisers and I were preparing to send brave men and women to the Gulf. *cut*

I made the tough call, but I did the right thing. We tried to make it as least painful as possible. We didn't raise personal income-tax rates for most Americans; and for upper-middle down upper-income Americans we kept effective rates low by getting rid of the so-called "bubble."

We preserved indexation, which meant that no one would be punished by bracket creep. So in spite of the Democrats, you

Note: "getting rid of the bubble" resulted in an increase in taxes for many people. The rate rose for example from 28 to 31 percent for many. The taxes went up for some & down for others, but up for more people in the upper brackets

Note: ~~bubble~~ bubble includes:
Singles making \$47+
Married making \$78+

don't pay an inflation tax. Your cost-of-living pay increases go to you, not to the federal government.

We also got tough new enforceable caps on domestic discretionary spending and a pay-as-you-go system to stop the growth of new entitlement programs.

Let me add, if we did not have the new budget enforcement system, the Federal Reserve might not have been able to lower short-term interest rates without driving up long term rates. But the Fed has been able to lower both. As a result, people will save \$45 billion this year just by refinancing their mortgages.

Today, Saddam is hunkered down in Baghdad, and the only ones who live in fear of him are his food tasters.

Now, no Republican President likes to raise taxes. Ronald Reagan sure didn't when he had to. And I hated doing so in 1990. I knew that I would catch a lot of heat for it. I knew that it would become a big issue in this year's election. I even knew that I would face hostile fire from some of my old friends in New Hampshire. But let me tell you, the problem in Washington isn't a Republican President. It's a Democratic Congress. If we'd had a Republican Congress in 1990, we'd be talking today about the wonderful effects of our cutsⁱⁿ capital gains and other taxes that hamper growth. We'd be talking about New Hampshire's boom.

At least everyone -- even the opposition party -- now agrees that the worst thing we could do to the economy would be to raise taxes on anybody.

THE WHITE HOUSE
WASHINGTON
January 14, 1992

12 JAN 14 PM 2:55

MEMORANDUM FOR TONY SNOW

FROM: ROGER B. PORTER *RBP*
SUBJECT: Presidential Remarks: Insert for Presidential
Address to Cabletron Systems, Inc.

We have reviewed the attached insert for the President's speech at Cabletron and have noted a few suggested changes on the draft.

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

cc: Phillip D. Brady

CLOSE HOLD

Document No. 298768ss -- add on



WHITE HOUSE STAFFING MEMORANDUM

DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, TODAY, JAN. 14

SUBJECT: INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON SYSTEMS, INC.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 provide comments directly to Tony Snow, Rm. 122, x2930, with a copy to this office NO LATER THAN NOON, TODAY, TUESDAY, JANUARY 14. Thank you.

RESPONSE:

SENSITIVE

CLOSE HOLD

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

INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON, INC.

I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going. You may even remember a famous line from my acceptance speech at the Republican Convention: "Read my lips. No new taxes."

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In 1990 I asked Congress to help cut the growth of federal debt -- which was too high then, and is too high now. Week after week my negotiators tried to hold the line -- to get sensible spending cuts with no new taxes. But the Democrats insisted on raising taxes -- and refused to negotiate any spending cuts or spending controls unless we put taxes on the table.

In the midst of the domestic negotiations, Saddam invaded Kuwait. Congressional bargainers threatened to let the Gramm-Rudman spending caps ~~to~~^J slash our defense budget at just the time my advisers and I were preparing to send brave men and women to the Gulf.

I made the tough call, ~~but~~^{AND} I did the right thing. We didn't ~~raise~~^{ALLOW INCREASES IN} personal income-tax rates for most Americans; and for upper-income Americans we kept effective rates low by getting rid of the so-called "bubble."

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CLOSE HOLD

Document No. 298768ss -- add on

WHITE HOUSE STAFFING MEMORANDUM

32 JAN 14 12:55

DATE: 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, TODAY, JAN. 14

SUBJECT: INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON SYSTEMS, INC.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input 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 provide comments directly to Tony Snow, Rm. 122, x2930, with a copy to this office NO LATER THAN NOON, TODAY, TUESDAY, JANUARY 14. Thank you.

RESPONSE:

No legal objections BCS - memo to follow.

SENSITIVE

CLOSE HOLD

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

THE WHITE HOUSE
WASHINGTON

32 JAN 14 AM: 32

January 14, 1992

MEMORANDUM FOR TONY SNOW

FROM: John S. Gardner *J.S.G.*

SUBJECT: Cabletron Remarks

Phil and I just had one comment on this:

1. P. 3, last paragraph: Re the lifeboats analogy, most people would agree that women and children should go first!

(Snow/Simon)
CABLETRON
DRAFT THREE
JANUARY 13, 1992

92 JAN 13 P5:35

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

First, thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year, but you've certainly flourished.

You've also done it the old fashioned way: You had an idea. You took huge risks. You worked hard. You believed in your product. And you succeeded.

The American economy depends on smaller companies like Cabletron -- smaller companies that keep getting larger by offering a good product at a good price. In eight years, you've gone from a gleam in the eyes of Bob Levine and Craig Benson to one of the fastest-growing firms in America. Your sales have jumped 275 thousand percent in eight years -- not bad. You don't have any debt -- you've built an impressive cash reserve. No wonder Cabletron has become a regular feature on the pages of the business magazines: Forbes, Inc., Business Week, Money. I guess you can think of yourselves as capitalist centerfolds. \\

Here's something else I find impressive: Everyone who works for Cabletron owns stock. In an age when stockholders of other companies complain about lacking access to the leaders and the

leaders lacking any accountability to shareholders, you work side by side. That's great. It also gives you even greater incentive to be the best.

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in 11 different industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are really enthusiastic about their new opportunities. They know that good, fit American companies won't stop and complain. They'll use those openings to build even greater markets for themselves.

We live in an entirely different world than the one that existed when I took the oath of office. The Cold War has drawn to a close, and we've entered an Age of Competition -- an era in which nations will define their strength in terms of their ideas and economic strength.

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in

winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. The Granite State's unemployment rate would be twice what it is if you didn't have such a vigorous export business. This state exports \$1.2 billion in goods each year -- \$168 million of that to the four nations I just visited.

People here understand that engagement in the larger world means opportunity and jobs. You also understand that protectionism really is nothing more than defeatism -- a fear that America can't compete in the new market-oriented world.

Most people who embrace protectionism -- which is really economic isolationism -- put a bear hug around the past. They pine for the good old days -- and fret about the future. Well, it's time to give these Chicken Littles a wake-up call. Like it or not, the world's moving ahead, and we intend to stay in the lead. I'll leave the past to others. I plan to lead America into the future that American workers, American soldiers and American ideals made possible.\

You've heard some candidates talk about "America first." Well, America First is a sure recipe for America last. Its proponents offer nothing but the stale old politics of malaise. Everywhere, they see signs of weakness. The cry, "America first" is a call to man the lifeboats [-- a nationalized version of "Women and children first."] Well, I've seen hard times around

→ Most people would agree that women and children should go first!

this country, but I haven't seen weakness. Everywhere, I see people eager to do the hard work of freedom.

That includes me. The economy is my top priority -- always has been. I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going.

In a little less than two weeks, I'll deliver my State of the Union Address and I'll lay out my plan to get America up to speed. That plan will address our short-term needs, but it also will lay a foundation for long-term leadership in the world marketplace.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President, and you'll have to decide which are election-year fluff -- and which will get America moving.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it make economic sense? Will the plan get the economy moving again and safeguard American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national economic policies -- low taxes, no unnecessary regulations; good roads, bridges and infrastructure.

Second: Does it make America more competitive?

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs. I've been trying to do these things from the day I took office. Look it up.

Third point: Does it address your basic concerns: Does it protect what you want protected, promote what you want promoted? A good economic plan should preserve the value of your hard-won assets -- your home, your income, your retirement savings -- rather than letting bad policies nibble away at them.

It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family. No one should have to go broke taking care of these basic necessities.

Point four: Does the plan get Washington's house in order? All over America, companies have abandoned the old ways of doing things, and they've invented entirely new ways. The key is quality. That's the key to your success.

It's time government stopped living in the past. We need to improve our product quality, put a lid on government spending and get rid of programs that don't work or that duplicate other programs. Taxpayers deserve to get their money's worth for the \$1.4 trillion they pay out in taxes.

So, to repeat my four-point, common-sense test: Does it make economic sense? Does it make America more competitive? Does it

address your basic concerns? Does it get government's house in order?

In this election year, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices.

I've really enjoyed my visit here. You really are leading the way to America's future, and you should be proud. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

Simon

(Snow/Simon)
CABLETRON
DRAFT THREE
JANUARY 13, 1992

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

First, thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year, but you've certainly flourished.

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Here's something else I find impressive: ~~Everyone who works~~ ^{one third of} ~~for~~ Cabletron ^{is workers} owns stock. In an age when stockholders of other companies complain about lacking access to the leaders and the

leaders lacking any accountability to shareholders, you work side by side. That's great. It also gives you even greater incentive to be the best.

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in ~~11 different~~ *several large* industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are really enthusiastic about their new opportunities. They know that good, fit American companies won't stop and complain. They'll use those openings to build even greater markets for themselves.

We live in an entirely different world than the one that existed when I took the oath of office. The Cold War has drawn to a close, and we've entered an Age of Competition -- an era in which nations will define their strength in terms of their ideas and economic strength.

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in

winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. The Granite State's unemployment rate would be twice what it is if you didn't have such a vigorous export business. This state exports \$1.2 billion in goods each year -- \$~~168~~¹⁷⁶ million of that to the four nations I just visited.

People here understand that engagement in the larger world means opportunity and jobs. You also understand that protectionism really is nothing more than defeatism -- a fear that America can't compete in the new market-oriented world.

Most people who embrace protectionism -- which is really economic isolationism -- put a bear hug around the past. They pine for the good old days -- and fret about the future. Well, it's time to give these Chicken Littles a wake-up call. Like it or not, the world's moving ahead, and we intend to stay in the lead. I'll leave the past to others. I plan to lead America into the future that American workers, American soldiers and American ideals made possible.\\

You've heard some candidates talk about "America first." Well, America First is a sure recipe for America last. Its proponents offer nothing but the stale old politics of malaise. Everywhere, they see signs of weakness. The cry, "America first" is a call to man the lifeboats -- a nationalized version of "Women and children first." Well, I've seen hard times around

this country, but I haven't seen weakness. Everywhere, I see people eager to do the hard work of freedom.

That includes me. The economy is my top priority -- always has been. I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going.

In a little less than two weeks, I'll deliver my State of the Union Address and I'll lay out my plan to get America up to speed. That plan will address our short-term needs, but it also will lay a foundation for long-term leadership in the world marketplace.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President, and you'll have to decide which are election-year fluff -- and which will get America moving.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it make economic sense? Will the plan get the economy moving again and safeguard American jobs?

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In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs. I've been trying to do these things from the day I took office. Look it up.

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The 1.4 tr. is spending, not revenue

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Legal Counsel
PG 5

(Snow/Simon)
CABLETRON
DRAFT THREE
JANUARY 13, 1992

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

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CARNEY comments

(Snow/Simon)
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DRAFT THREE
JANUARY 13, 1992

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Since taking office, I have pushed the Democrats in Congress again and again to cut taxes, reduce regulations and put in place some measures to hold the line on spending. They weren't interested.

In 1990 I asked Congress in 1990 to help cut the federal debt -- which was too high then, and is too high now. Week after week my negotiators tried to hold the line -- to get sensible spending cuts with no new taxes.

In the midst of these talks, Saddam invaded Kuwait. Congressional bargainers threatened to use Gramm-Rudman spending caps to slash our defense budget at just the time we were sending brave men and women to the Gulf. Democrat leaders said: "Read our votes. We want taxes." I had to make a tough choice: turn our troops' security into a political bargaining chip -- something Saddam would have loved -- or get the best budget agreement possible.

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by bracket creep. In other words, you didn't pay an inflation tax anymore, which meant that your cost-of-living pay increases went to you, not to the federal government. Let me add, our policies have helped drive down interest rates. This year, people will save \$45 billion just refinancing their mortgages. That really amounts to a \$45 billion tax cut.

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Now, no Republican President likes to raise taxes. Ronald Reagan sure didn't. And anyone who knows me knows that I'm the last guy who wants to raise taxes. Right now, the worst thing we could do to the economy is raise taxes on anybody.

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#

(Snow/Simon)
CABLETRON
DRAFT TWO
JANUARY 12, 1992

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

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(Snow/Simon)

CABLETRON

DRAFT THREE

JANUARY 13, 1992

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THIS NATION STRONG

AND WILL CONTINUE TO BE

this country, but I haven't seen weakness. Everywhere, I see people eager to do the hard work of freedom.

That includes me. The economy is my top priority -- ~~says~~ I came to New Hampshire four years ago, and promised to do all I could to keep ~~the nation's economic momentum going.~~

In a little less than two weeks, I'll deliver my State of the Union Address and I'll lay out my plan to get America up to speed. That plan will address our short-term needs, but it also will lay a foundation for long-term leadership in the world marketplace.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President, and you'll have to decide which are election-year fluff -- and which will get ~~America moving.~~ ^{SAN} lead this country.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point one: ~~Will the plan get the economy moving again and safeguard American jobs?~~ ^{create} will the plan get ^{help} the economy moving again and ~~create~~ ^{create} American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national economic policies -- low taxes, no unnecessary regulations, good roads, bridges and infrastructure.

Second: Does it make America more competitive?

strength that what you WANT strength that

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs. I've been trying to do these things from the day I took office.

Third point: Does it address your basic concerns: Does it ~~represent what you want protected~~, promote what you want promoted?

MEASURE THESE AGAINST HOW THEY CAN BE USED AGAINST YOU

A good economic plan should preserve the value of your hard-won assets -- your home, your income, your retirement savings -- rather than letting bad policies nibble away at them.

~~It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family. No one should have to go broke taking care of these basic necessities.~~

Point four: Does the plan get Washington's house in order?

Handwritten scribbles

~~All over America, companies have abandoned the old ways of doing things, and they've invented entirely new ways. The key is quality. That's the key to your success.~~

The plan must root out waste and duplication, and get rid of programs that don't work.

~~It's time government stopped living in the past. We need to improve our product quality, put a lid on government spending, and get rid of programs that don't work, or that duplicate other programs.~~ Taxpayers deserve to get their money's worth for the \$1.4 trillion they pay out in taxes.

So, to repeat my four-point, common-sense test: Does it ~~make economic sense?~~ Does it make America more competitive? Does it

NO

help get the economy moving and create jobs

roll up their sleeves and

address your basic concerns? Does it get government's house in order?

In this election year, America can't afford empty-headed election-year hype. We've got real ^{work to do.} ~~challenges ahead.~~ We need leaders who will make the tough choices -- and the right choices.

I've ~~really~~ enjoyed my visit here. You ~~really~~ are leading the way to America's future, and you should be proud. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

(Snow/Simon)
CABLETRON
DRAFT FOUR
JANUARY 13, 1992

PRESIDENTIAL REMARKS: CABLETRON SYSTEMS, INC.
ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992
?? time

[Introductory acknowledgments]

[jokes]

First, thanks for the tour of this terrific plant. I know that New Hampshire has had its share of hard times in the last year, but you've certainly flourished.

You've also done it the old fashioned way: You had an idea. You took huge risks. You worked hard. You believed in your product. And you succeeded.

The American economy depends on companies like Cabletron -- companies that start small and grow by offering a good product at a good price. In eight years, you've gone from a gleam in the eyes of Bob Levine and Craig Benson to one of the fastest-growing firms in America. Your sales have jumped 275 thousand percent in eight years -- not bad. You don't have any debt -- you've built an impressive cash reserve. No wonder Cabletron has become a regular feature on the pages of the business magazines: Forbes, Inc., Business Week, Money. I guess you can think of yourselves as capitalist centerfolds. \\

As you know, I just came back from a long trip to Australia, Singapore, Korea and Japan. [joke]

On that trip we established a framework for meeting the security requirements of the post Cold War world, while promoting democracy and opening markets.

In Japan alone we resolved 49 non-auto standards problems, and we signed market opening agreements in 11 different industrial sectors. During the trip, we signed literally dozens of market-opening agreements in the four countries. I talked with Bob and Craig about some of them earlier. Lots of business leaders who joined me on the trip are really enthusiastic about their new opportunities. They know that good, fit American companies won't stop and complain. They'll use those openings to build even greater markets for themselves.

We live in an entirely different world than the one that existed when I took the oath of office. The Cold War has drawn to a close, and we've entered an Age of Competition -- an era in which nations will define their strength in terms of their ideas and economic strength.

On the Asia trip, I began to build the foundations of that new world -- a world of free trade and vigorous competition between entrepreneurs; a world in which companies like Cabletron can make a real difference. Just as America led the way in winning the Cold War, we'll also lead the way in shaping this new commonwealth of freedom.

New Hampshire has taken up the challenge of competition. Exports provide nearly ten percent of the Granite State's jobs. This state exports \$1.2 billion in goods each year -- \$168

million of that to the four nations I just visited. The U.S.-Canada Free Trade Agreement -- negotiated by Republicans -- has proved a major boon to New Hampshire, especially its high tech industries. And we're pushing other agreements, like the North American Free Trade Agreement and the Enterprise for the Americas Initiative, that will create even greater market opportunities for you.

Engagement in the larger world means opportunity and jobs. That should seem obvious, but some politicians stumping this state seem to believe that America's destiny is to run away from the rest of the world.

Protectionism is defeatism born of fantasy. Most people who embrace protectionism -- which is really economic isolationism -- cling desperately to a past that never existed. They pine for the good old days -- and fret about the future. It's time to give these Chicken Littles a wake-up call. The world's moving ahead, and I plan to lead America into the future that American workers, American soldiers and American ideals made possible.\\

You've heard some candidates talk about "America first." Well, the cry, "America first" is a call to man the lifeboats -- a nationalized version of "Women and children first."

America First isolationists look out at the world, and see enemies everywhere. I look beyond our borders and see opportunities for future greatness. Isolationists look at America and see weakness. I see people eager to do the hard work of freedom. My friends, isolationism is the malaise politics of

the 1990s -- a one-size-fits-all indictment of American workers and families. That's why America first is a recipe for America last.

The economy is my top priority -- always has been. I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going.

[tax insert]

From Day One I have fought to lower taxes -- and I'll continue that fight. I've tried to slash away at regulation, which cost the U.S. economy nearly \$200 billion last year -- and I won't quit. I've fought to open foreign markets -- and you ain't seen nothing yet. And I've fought to make sure that we live in a world where we can worry about market shares instead of nuclear holocaust.

As New Hampshirites, you'll hear lots of economic proposals from people who want to become President. You'll have to decide which are election-year fluff -- and which will work.

Let me propose a four-point, common-sense test for every plan you hear -- including mine.

Point One: Does it make economic sense? Will the plan get the economy moving again and safeguard American jobs?

This point seems obvious, but some people seem to believe that you build an economy up by knocking a President down -- or by passing a law with the word, "jobs" in the title.

You're in the jobs business. You know you need investment to set up a business -- any business. You need sound national

economic policies -- low taxes, no unnecessary regulations; good roads, bridges and infrastructure.

Second: Does it make America more competitive?

In the new international marketplace, Americans must meet the demands of foreign competition, and the government must work to open markets so that good American companies can expand their base and create good jobs.

Third point: Does it address your basic concerns: Does it protect what you want protected, promote what you want promoted? A good economic plan should preserve the value of your hard-won assets -- your home, your income, your retirement savings -- rather than letting bad policies nibble away at them.

It also should enable you to choose affordable housing, good schools for your children, and decent health care for your family. No one should have to go broke taking care of these basic necessities.

Point four: Does the plan get Washington's house in order? All over America, companies have abandoned the old ways of doing things. They've devoted themselves to innovation and quality.

Don't you think it's time government caught up? Government must stop living in the past. Government must improve its product quality, get its spending under control, and eliminate programs that don't work or that duplicate other programs. Taxpayers deserve to get their money's worth for the \$1.4 trillion they pay out in taxes.

So, to repeat my four-point, common-sense test: Does it make economic sense? Does it make America more competitive? Does it address your basic concerns? Does it get government's house in order?

When people shake your hands, call you by your first name and try to sell you an economic plan, put them to this test. Listen carefully to my competition, and listen to what I have to say. Frankly, I'm counting on you to sort out fact from fiction -- and rhetoric from reality.

My friends, America can't afford empty-headed election-year hype. We've got real challenges ahead. We need leaders who will make the tough choices -- and the right choices. When you face the choice of who shall lead, you've got to demand the leader who understands the real world, who understands business and international relations -- and whose instincts and experience will keep America Number One.

I've really enjoyed my visit here. Let me tell you -- we're going to do whatever it takes to keep America the greatest economic, political, military and moral power on earth. Thank you. May God bless you and the United States of America.

#

INSERT FOR PRESIDENTIAL ADDRESS TO CABLETRON, INC.

I came to New Hampshire four years ago, and promised to do all I could to keep the nation's economic boom going. You may even remember a famous line from my acceptance speech at the Republican Convention: "Read my lips. No new taxes."

Since taking office, I have pushed the Democrats in Congress again and again to cut taxes, reduce regulations and put in place some measures to hold the line on spending. They haven't been interested.

In 1990 I asked Congress to cut the growth of federal spending and federal debt -- which was too high then, and is too high now.

Week after week my negotiators tried to preserve our national security, while holding the line on federal spending. They argued for sensible spending cuts and no new taxes.

But Democrats said: "Read our lips. We want taxes." They refused to negotiate any spending cuts or spending controls unless we put taxes on the table.

Then came August. Saddam invaded Kuwait and Democrats persisted in seeking defense cuts. Gramm-Rudman restrictions threatened to slash our defense budget at the time that my advisers and I had decided to send brave men and women to the Gulf.

I made the tough call, but I did the right thing. For all the controversy, the budget deal accomplished some very important things. We didn't raise personal income-tax rates for most Americans, and we didn't raise the top rates.

We preserved indexation, which meant that no one would be punished by bracket creep. So in spite of the Democrats, you don't pay an inflation tax. Your cost-of-living pay increases go to you, not to the federal government.

Perhaps most important, we got tough new enforceable caps on domestic discretionary spending and a pay-as-you-go system to stop the growth of new entitlement programs. In other words, we got a mechanism for getting spending under control.

If we hadn't put a lid on spending, the Federal Reserve might not have been able to lower short-term interest rates without driving up long term rates. But the Fed has been able to lower both. As a result, people will save \$45 billion this year by refinancing their mortgages. That's \$45 billion in people's pockets and bank accounts.

Now, no Republican President likes to raise taxes. Ronald Reagan sure didn't when he had to. And I hated doing so in 1990. I knew that I would catch a lot of heat for it. I knew that it would become a big issue in this year's election. I even knew that I would face hostile fire from some of my old friends in New Hampshire.

But I'll say now what I said then: The problem in Washington isn't a Republican President. It's a Democratic Congress. If we'd had a Republican Congress in 1990, we'd be talking today about the great effects of our cuts on capital gains and other taxes that hamper growth. We'd be talking about New Hampshire's boom.

At least everyone -- even the opposition party -- now agrees that the worst thing we could do to the economy would be to raise taxes on anybody.

**CABLETRON SYSTEMS, INC. \ ROCHESTER, NEW HAMPSHIRE
WEDNESDAY, JANUARY 15, 1992 \ 2:05 P.M.**

**THANKS, CRAIG AND BOB -- THE TOM SELLECK AND ARNOLD
SCHWARZENEGGER OF THE HIGH-TECH WORLD. \\ THANKS
ALSO, TO GOV. JUDD GREGG FOR TELLING ME ABOUT
CABLETRON. I'M ALSO PROUD TO BE HERE WITH SEN. BOB
SMITH AND CONGRESSMAN BILL ZELIFF.**

**THANKS FOR THE TOUR OF THIS TERRIFIC PLANT. I KNOW
THAT NEW HAMPSHIRE HAS HAD ITS SHARE OF HARD TIMES IN
THE LAST YEAR.**

- 2 -

**I'VE VISITED NEWINGTON AND EXETER ALREADY TODAY, AND
I'VE MET WITH A PRETTY GOOD CROSS SECTION OF PEOPLE
FROM ACROSS THE STATE. THEY HAVEN'T BEEN BASHFUL IN
LETTING ME KNOW HOW THEY FEEL. **

**BUT YOU'VE CERTAINLY FLOURISHED. CONGRATULATIONS
ON TODAY'S ANNOUNCEMENT: TWO PLANTS AND ANOTHER 200
JOBS FOR NEW HAMPSHIRE. THAT'S GREAT NEWS. **

**BUT IT'S NOT SURPRISING. CABLETRON HAS THRIVED THE
OLD FASHIONED WAY: YOU HAD AN IDEA. YOU TOOK RISKS.**

YOU WORKED HARD. YOU BELIEVED IN YOUR PRODUCT. AND YOU SUCCEEDED.

THE AMERICAN ECONOMY DEPENDS ON FIRMS LIKE CABLETRON --COMPANIES THAT START SMALL AND GROW BY OFFERING A GOOD PRODUCT AT A GOOD PRICE. IN EIGHT YEARS, CABLETRON HAS GONE FROM A COMPANY IN BOB'S GARAGE TO ONE OF THE FASTEST-GROWING FIRMS IN AMERICA. YOUR SALES HAVE JUMPED 275 THOUSAND PERCENT IN EIGHT YEARS.

YOU DON'T HAVE ANY DEBT -- YOU'VE BUILT AN IMPRESSIVE CASH RESERVE. NO WONDER CABLETRON HAS BECOME A REGULAR FEATURE ON THE PAGES OF THE BUSINESS MAGAZINES: FORBES, INC., BUSINESS WEEK, MONEY. I GUESS YOU CAN THINK OF YOURSELVES AS CAPITALIST CENTERFOLDS.

AS YOU KNOW, I JUST CAME BACK FROM A LONG TRIP TO AUSTRALIA, SINGAPORE, KOREA AND JAPAN. ON THAT TRIP WE ESTABLISHED A FRAMEWORK FOR MEETING THE SECURITY REQUIREMENTS OF THE POST COLD WAR WORLD, WHILE PROMOTING DEMOCRACY AND OPENING MARKETS.

IN JAPAN ALONE WE RESOLVED 49 NON-AUTO STANDARDS PROBLEMS. DURING THE TRIP, WE SIGNED LITERALLY DOZENS OF MARKET-OPENING AGREEMENTS IN THE FOUR COUNTRIES. I TALKED WITH BOB AND CRAIG ABOUT SOME OF THEM EARLIER. LOTS OF BUSINESS LEADERS WHO JOINED ME ON THE TRIP ARE VERY ENTHUSIASTIC ABOUT THE OPPORTUNITIES THESE AGREEMENTS CREATE. THEY KNOW THAT GOOD, COMPETITIVE AMERICAN COMPANIES WON'T STOP AND COMPLAIN. THEY'LL JUMP AT THE CHANCE TO GET NEW BUSINESS.

SINCE I TOOK OFFICE, THE COLD WAR HAS DRAWN TO A CLOSE. OUR CHILDREN NO LONGER HAVE TO WORRY ABOUT THE THREAT OF NUCLEAR HOLOCAUST. AMERICAN IDEALS HAVE TRIUMPHED THROUGH THE LONG STRUGGLE FOR FREEDOM. THE UNITED STATES HAS BECOME THE UNDISPUTED LEADER OF THE WORLD.

SO WE NOW FACE A NEW KIND OF WORLD -- ONE IN WHICH NATIONS WILL DEFINE THEIR STRENGTH THROUGH INTELLECTUAL AND ECONOMIC COMPETITION.

- 7 -

HERE, IDEAS AND CONFIDENCE COUNT -- AND COMPANIES LIKE CABLETRON CAN MAKE THEIR MARK.

JUST AS AMERICA LED THE WAY IN WINNING THE COLD WAR, WE'LL ALSO LEAD THE WAY IN SHAPING THIS NEW COMMONWEALTH OF FREEDOM.

NEW HAMPSHIRE HAS TAKEN UP THE CHALLENGE OF COMPETITION. EXPORTS PROVIDE NEARLY 35,000 JOBS IN THE GRANITE STATE, AND YOUR EXPORT BUSINESS GREW BY MORE THAN NINE PERCENT LAST YEAR.

- 8 -

THIS STATE EXPORTED \$1.2 BILLION IN GOODS IN 1991 TO 107 NATIONS. \$176 MILLION OF THAT INVOLVES THE FOUR COUNTRIES I JUST VISITED. WHEN I WENT TO ASIA, I FOUGHT FOR JOBS. I FOUGHT FOR OUR FUTURE.\\

BUT THEN, I'VE FOUGHT FOR OPEN MARKETS FOR YEARS. THE U.S.-CANADA FREE TRADE AGREEMENT -- NEGOTIATED BY REPUBLICANS -- HAS PROVED A MAJOR BOON TO NEW HAMPSHIRE, ESPECIALLY ITS HIGH-TECH INDUSTRIES.

WE'RE PUSHING OTHER AGREEMENTS, LIKE THE NORTH AMERICAN FREE TRADE AGREEMENT AND THE ENTERPRISE FOR THE AMERICAS INITIATIVE, THAT WILL CREATE EVEN GREATER MARKET OPPORTUNITIES FOR YOU.

ENGAGEMENT IN THE LARGER WORLD MEANS OPPORTUNITY AND JOBS. THAT SHOULD SEEM OBVIOUS, BUT SOME POLITICIANS SEEM TO BELIEVE THAT AMERICA'S DESTINY IS TO RUN AWAY FROM THE REST OF THE WORLD.

PROTECTIONISM IS DEFEATISM BORN OF FANTASY. MOST PEOPLE WHO EMBRACE PROTECTIONISM -- ECONOMIC ISOLATIONISM -- CLING TO A PAST THAT NEVER EXISTED. THEY PINE FOR THE GOOD OLD DAYS -- AND FRET ABOUT THE FUTURE. IT'S TIME TO GIVE THESE CHICKEN LITTLES A WAKE-UP CALL. THE WORLD'S MOVING AHEAD, AND I WILL LEAD AMERICA INTO THE FUTURE THAT AMERICAN WORKERS, AMERICAN SOLDIERS AND AMERICAN IDEALS MADE POSSIBLE.\\

- 11 -

ISOLATIONISTS LOOK OUT AT THE WORLD, AND SEE ENEMIES ON EVERY PLOT OF LAND. I LOOK BEYOND OUR BORDERS AND SEE OPPORTUNITIES FOR FUTURE GREATNESS. ISOLATIONISTS LOOK AT AMERICA AND SEE WEAKNESS. I SEE PEOPLE EAGER TO DO THE HARD WORK OF FREEDOM. MY FRIENDS, ISOLATIONISM IS THE MALAISE POLITICS OF THE 1990s -- A ONE-SIZE-FITS-ALL INDICTMENT OF AMERICAN WORKERS AND FAMILIES.

- 12 -

WELL, I'VE SEEN THE AMERICAN PEOPLE -- THEIR STRENGTH, THEIR VALUES, THEIR DETERMINATION. I'M CONFIDENT NOT JUST THAT WE'LL MOVE OUT OF THE RECESSION, BUT THAT WE'LL PROSPER AS NEVER BEFORE.

AS PRESIDENT, I HAVE ALWAYS TRIED TO BUILD UPON OUR GREATNESS AS A PEOPLE. FROM DAY ONE I HAVE FOUGHT TO BUILD A STRONGER, MORE PROSPEROUS AMERICA.

I'VE FOUGHT OVER AND OVER TO LOWER TAXES -- AND I'LL CONTINUE THAT FIGHT.

- 13 -

I'VE PUSHED FOR POSITIVE GROWTH INCENTIVES: INVESTMENT IN EDUCATION, INVESTMENT IN RESEARCH AND DEVELOPMENT, INVESTMENT IN INFRASTRUCTURE, INVESTMENT IN TECHNOLOGIES OF THE FUTURE, AND INCENTIVES FOR COMPANIES TO INVEST MORE IN BUILDING THE PRODUCTS AND INNOVATIONS OF THE 21ST CENTURY. I'LL CONTINUE THAT FIGHT.

I'VE TRIED TO SLASH AWAY AT REGULATION, WHICH COST THE U.S. ECONOMY NEARLY \$200 BILLION LAST YEAR -- AND I WON'T QUIT.

- 14 -

I'VE FOUGHT TO OPEN FOREIGN MARKETS -- AND YOU AIN'T SEEN NOTHING YET. AND I'VE FOUGHT TO MAKE SURE THAT WE LIVE IN A WORLD WHERE WE CAN WORRY ABOUT MARKET SHARES INSTEAD OF NUCLEAR HOLOCAUST.

AS NEW HAMPSHIRITES, YOU'LL HEAR LOTS OF ECONOMIC PROPOSALS FROM PEOPLE WHO WANT TO BECOME PRESIDENT. YOU'LL HAVE TO DECIDE WHICH ARE ELECTION-YEAR FLUFF -- AND WHICH WILL AREN'T.

- 15 -

I WILL ANNOUNCE THE SPECIFICS OF MY ECONOMIC GROWTH PLAN -- A PLAN FOR NOW AND THE FUTURE -- IN MY STATE OF THE UNION ADDRESS. THAT PLAN, AND ANY OTHER CREDIBLE PLAN, MUST PASS FIVE TESTS:

ONE: IT MUST STIMULATE THE INVESTMENT NECESSARY TO CREATE JOBS.

TWO: IT MUST STOP THE SLIDE IN REAL-ESTATE VALUES AND INCREASE HOME SALES.

- 16 -

THREE: IT MUST GIVE AMERICANS CONFIDENCE THAT THEY WILL BE ABLE TO AFFORD THE COSTS OF RAISING A FAMILY, EDUCATING THEIR CHILDREN, AND OBTAINING HEALTH CARE.

FOUR: IT MUST INCREASE AMERICA'S CAPACITY TO COMPETE IN A GLOBAL ECONOMY.

AND FIVE: IT MUST CONTROL WASTEFUL GOVERNMENT SPENDING AND BRING THE DEFICIT UNDER CONTROL.

SOME POLITICIANS SEEM TO BELIEVE THAT YOU BUILD AN ECONOMY UP BY KNOCKING A PRESIDENT DOWN -- OR BY PASSING A LAW WITH THE WORD, "JOBS," IN THE TITLE.

BUT PROSPERITY DOESN'T COME FROM GIMMICKS. YOU WORK HARD, AND YOU PRODUCE A QUALITY PRODUCT AT A GOOD PRICE. YOU KNOW THAT EVERYONE MUST CARRY THEIR WEIGHT. YOU'RE DOING YOUR PART. GOVERNMENT OUGHT TO DO THE SAME. TAXPAYERS DESERVE TO GET THEIR MONEY'S WORTH FOR THE \$1 TRILLION THEY PAY OUT IN TAXES.

I KNOW NEW HAMPSHIRE. I'VE BEEN YOUR NEIGHBOR FOR YEARS. I'VE COME HERE AS A CANDIDATE, AS A VICE PRESIDENT, AND NOW AS A PRESIDENT. I'VE BUNKED AT PEOPLE'S HOUSES, VISITED OLD FRIENDS, WORKED AND PLAYED HERE. I KNOW THAT WE SHARE THE SAME VALUES. WE BELIEVE IN HARD WORK. WE BELIEVE IN FAMILY. WE BELIEVE IN DECENCY. WE BELIEVE IN PATRIOTISM. WE BELIEVE IN ACTION AND STRAIGHT TALK. AND MOST OF ALL, WE BELIEVE IN OURSELVES.

- 19 -

SOME OF THE POLITICIANS AROUND HERE HAVE JUST DISCOVERED THE GRANITE STATE. THEY FEEL LIKE STRANGERS IN A STRANGE LAND, AND FRANKLY, SOME OF THEM SOUND LIKE IT. WHEN THEY SHAKE YOUR HANDS, CALL YOU BY YOUR FIRST NAME AND TRY TO SELL YOU AN ECONOMIC PLAN, APPLY YOUR HEALTHY SKEPTICISM. LISTEN CAREFULLY TO MY COMPETITION, AND LISTEN TO WHAT I HAVE TO SAY. I'M COUNTING ON YOU TO SORT OUT FACT FROM FICTION -- AND RHETORIC FROM REALITY.

- 20 -

MY FRIENDS, AMERICA CAN'T AFFORD EMPTY-HEADED ELECTION-YEAR HYPE. WE'VE GOT REAL CHALLENGES AHEAD. WE NEED LEADERS WHO WILL MAKE THE TOUGH CHOICES -- AND THE RIGHT CHOICES. WHEN YOU FACE THE CHOICE OF WHO SHALL LEAD, YOU'VE GOT TO DEMAND THE LEADER WHO UNDERSTANDS THE REAL WORLD, WHO UNDERSTANDS BUSINESS AND INTERNATIONAL RELATIONS -- AND WHOSE INSTINCTS AND EXPERIENCE WILL KEEP AMERICA NUMBER ONE.

- 21 -

I'VE REALLY ENJOYED THIS VISIT. LET ME TELL YOU
-- WE'LL DO WHATEVER IT TAKES TO KEEP AMERICA THE
GREATEST ECONOMIC, POLITICAL, MILITARY AND MORAL POWER
ON EARTH. THANK YOU. MAY GOD BLESS YOU AND THE UNITED
STATES OF AMERICA.

#

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t says if you want to
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New Hampshire has
of families are hurt-

cares, and I care—
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State of the Union,
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elp. I am here to ask
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n back on track. I'd
the things that have
New Hampshire as a
what we Bushes mean
ily and faith and fam-
ple understand when
baby or reads to a

child. I think they understand what we're say-
ing. And that is: family is important.

Everything I do in legislation I ask our
people, "Is this going to strengthen or is this
going to diminish family?" Our child care
bill—I fought back the mandated benefits
from the liberals, and I fought it back be-
cause it would weaken the family's chance
to take care of the child care situation in the
way they think back. I want our school pro-
gram to emphasize community and family.
I worry about these families that are broken
up, ache for them, worry about them and
want to do what we can, Barbara and I, as
leaders in this country, to help strengthen
family.

And so I do understand New Hampshire
because I have this wonderfully warm feeling
that New Hampshire feels exactly the way
we do on these questions of family values
and faith. Somebody said to me, we prayed
for you over there. That was not just because
I threw up on the Prime Minister of Japan,
either. [Laughter] Where was he when I
needed him? [Laughter] I said, let me tell
you something. And I say this—I don't know
whether any ministers from the Episcopal
Church are here—I hope so. But I said to
him this: You're on to something here. You
cannot be President of the United States if
you don't have faith.

Remember Lincoln, going to his knees in
times of trial and the Civil War and all that
stuff. You can't be. And we are blessed. So
don't feel sorry for—don't cry for me, Argen-
tina. We've got problems out there, and I
am blessed by good health, strong health.
Geez, you get the flu and they make it into
a Federal case. [Laughter] Anyway that goes
with the territory. I'm not asking for sym-
pathy, I just wanted you to know that I never
felt more up for the charge. I wish I could
tuck each one of you for 10 minutes into that
car as you ride along and see the reception
that Judd Gregg talked about that we're get-
ting as I return to this State that I do under-
stand.

And it's been great. I'll go back to Wash-
ington all fired up for tomorrow and tackle
the President or the Prime Minister of this
or the Governor of that coming in. But I'll
have this heartbeat, vigorous and strong, be-
cause of what I've sensed here today.

So now, listen, here's the final word. Vote
for me. And listen, go listen politely. These
guys, these executives, they've got to do their
thing here and have fair play for all. But don't
vote for them. Vote for me, okay?

Thanks a lot.

*Note: The President spoke at 2:11 p.m. In
his remarks, he referred to Robert L.
Laszewski, executive vice president of group
markets, and Gary L. Countryman, chair-
man of the board, both with Liberty Mutual
Insurance Group.*

Remarks to Cabletron Systems Employees in Rochester, New Hampshire

January 15, 1992

You guys are fired up. Thank you very
much. What is it about the water around this
place? You guys just standing out here for
2 hours and being so darn nice. But thanks
for the welcome. I appreciate it. To Craig
and Bob, let me phrase it this way: Who
would have thought that I would be standing
shoulder-to-shoulder with two guys who but
a handful of years ago had a dream and who
together, with some very able men and
women I want to mention in just a minute,
made this happen.

I mean, this is America, and it's strong,
and it's wonderful. And I am all fired up and
pleased with the reception here but, more
important, pleased to see the quality of the
work and the pride in the work. It just rein-
forces my view that we've got to resist this
siren's call of protection and continue to send
our quality goods wherever the market is, do-
mestic or foreign. And I'm going to keep on
trying to open these foreign markets to fair
play. And if we succeed in that, these goods
are going to compete. They are quality goods.
And I'll tell you, that's a strong lesson I'd
take back to Washington, DC.

I had a chance to chat with some of you
all's associates in there. And I will single out
but two because I wrote down their names.
But Dominique MacDonald and Frank
McWilliams—I don't know whether you have
to have a "Mc" to work in the quality end

of this thing, but I don't think they were programmed by one of these machines out here—both of them telling me how their fellow workers took pride in what they were doing. And then you hear Craig and Bob reflect this, too, the Tom Selleck and the Arnold Schwarzenegger of the high-tech world up here.

I was briefed on this visit by my longtime friend and the able Governor of this State, Judd Gregg, who I'm proud to say is running our campaign in this very important State, who's with us here. I'm also pleased that we have Bob Smith, one of the two great Senators from New Hampshire, and also Bill Zeff, the Congressman here, and then Ed DuPont, the State Senate leader.

Let me just say this. I'm not up here to assign blame. Look, I know some people aren't doing as well here as the people at Cabletron. I'm sure people here have friends and family that they wonder whether they're going to have a job. So, I will accept my share of the responsibility as President of the United States. And I will state to you my determination to do everything I can to turn this economy around. But let me put it in stark political terms. If the growth initiatives that I have been proposing for the last three State of the Union Messages had been supported by more people like Senator Smith and Congressman Zeff and Senator Rudman, we would have this economy on the move.

We can stimulate the growth through sensible tax policy in this country, and that's what I will be proposing in the State of the Union once again. And then I'm going to look to the American people, including everybody here: Help me. Help me get a sensible program through this Congress that's still back in the Dark Ages of Government intervention, liberal spending, and more taxes. That's not what's needed.

I'm impressed with the spirit here, the creation of more jobs. And believe me, the rest of the State can succeed if we give them the proper support in Washington, DC, in terms of stimulation of the economy. I'm going to have to resist the siren's call, obviously, for protection. It's coming at me from the right, way out on the right, coming at me from the left. But you guys—I forget what the export figures are here. They're strong, 28 percent

in something like 5 years. That's a tremendous growth.

That means jobs. And it isn't just Cabletronics, other companies. And if we go back the protection route, why, we are simply going to dry up markets and invite retaliation from other countries.

I got criticized for this trip to Japan, not just for throwing up on the Prime Minister. [Laughter] You've got to admit when I get sick for 24 hours I do it with a certain flair, you know. [Laughter] But all that aside, some people, "Well, the President shouldn't do this, hat in hand." My eye. What I was doing was saying to these foreign leaders, "Look, give us a shot at these markets." We're not asking for protection. We're not asking for quotas like some of this silly Democrat legislation that I'm going to have to knock on its—knock down when I get back to Washington, DC. [Laughter] What we're asking for is access to the other guy's market.

And let me tell you something. I will bring the same kind of leadership, world leadership, we brought to Desert Storm to these economic questions around the world. And we will expand our markets abroad. And I will not listen to the protectionists.

You did it the old-fashioned way: You took risks. You took pride. You built quality into what you're doing. And you can hold your heads up, and you can compete with anyone in the world. We've got to get that spirit going across the rest of this country. And I really believe we can do it. Yes, times are tough. And yes, unemployment is unacceptably high. But interest rates are down. Inflation is down, so you're not being wiped out by the cruelest tax of all. And we are poised now for a real recovery.

I will repeat it for the third time today, but the first visit was over at Pease, and I want to see how we can assist in the economic development of Pease. We can make something positive. And we have to cut back because we're doing better in terms of world peace. And because the way our soldiers performed in Desert Storm has now led to a more peaceful world, we're able to cut back. And that's something that's being demanded, and I think properly so. And we will have more to say about that in the State of the Union.

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But I want to help and take something that is a difficult situation and turn it around and make it positive for the people of New Hampshire. And I believe we can do it. It's happened in other parts of the world. Waco, Texas, is a good place to look, and other places that had great big installations; they were turned to civilian use, and they made real progress. So, we want to go forward and help on that.

But we need to keep this spirit alive. And over there at Pease this woman said to me, also a country music fan like I am, and she said, "Well, do you remember the song about the light at the end of the tunnel," and the song goes, "I just hope it's not a train coming down through the tunnel." Well, good warning. But there is light at the end of the tunnel. And I told her my song that many of you have heard, "If you want to see a rainbow, you've got to stand a little rain."

New Hampshire stood a lot of rain. And there is going to be a rainbow because we're America. We can compete. And I'll take this case in the State of the Union, and I'll spell out the incentives that I think are smart. I'm going to have to resist some of these instant fixes that takes this so-called Federal money—that's yours, incidentally, if you're paying taxes—and kind of spreads it around out there in some giveaway fashion that sounds good and has appeal but does not stimulate the economy. So, we're going to do what we can to have sound fiscal policy.

And as I say, I sure would like to have your help. Spill it over into Maine, or spill it over into Massachusetts, so we can get some more people in the Congress like those who are supporting me here and get the job done in Washington. I'm sick and tired of a Congress that thinks old thoughts and can do nothing but try to tear down the President of the United States. We need some changes in the Congress, and I'm going to fight for them.

We made some progress on our Japanese trip there. We got 49 nonauto standards, these are standards just for access to market, cleared up. That was good. We signed dozens of literal market-opening agreements in these four countries that I visited. And I think that the business leaders who spoke out and said, in the computer business, that we

at least—we get them to keep the agree-
ments, but that we'd broken into the com-
puter market. Here's a figure. We sell—40
percent of computers used in Japan are
American because they're good. And Gov-
ernment, Japanese Government, .04 percent.

And what we think we've done now, and the computer industry agrees, is to break into that market and insist on fairplay. No tariffs, no subsidies needed, just the ability to let you guys that know what you're doing compete. And that was what this trip was about. And as I say, I'm going to stay engaged, stay engaged in this all the way.

We've got some other blessings in this country. You won't hear them in a primary. One thing, I'm a little tired of people telling me that I've just found New Hampshire. My God, I was growing up around here before some of you guys were born and certainly before some of these people that are now campaigning for President knew where New Hampshire was on a map. They've never been here before. They don't know the heart-beat of it. When a hurricane hits Portsmouth, it hits my house up there, not so far away from here. And when I was going to school, we used to compete in New Hampshire. And my daughter-in-law is from here.

And one thing that really—we'll clean this up for this marvelous audience—burns me up, put it that way, is this charge that I don't care. And I can understand it. Some people think you get to live in the White House, and you're dealing with all kinds of world figures. But we do care.

And at lunch this fellow asked me, he said, "If you could get one message over to the people in New Hampshire, what would you like it to be?" And I thought, "Can you help me with the fiscal program or open up these markets or help us with crime or help us with our wonderful education program?" But I said to him, "Listen, I guess the one message would be, both Barbara and I care. We think we understand your heartbeat. When some-
body hurts, we think we know enough about family to identify with that. And we care." And then we can build from there in terms of where this country ought to go.

It was one year ago, one year ago that Desert Storm was fixin' to begin, as they say in another of my home States, Texas, one

year ago. And you think back to the criticism that goes with the job from the media, the columnists, "The President hasn't prepared the American people." Look back at the very people, some of whom are running today for President, criticizing me for moving forces. Look back at them telling me what I could not do as Commander in Chief. And we did it. You and I and those brilliant young men and women did it. And we lifted the spirits of America.

And I want to take that same leadership and lift the spirits of America in the economy. And we can do it if I can get some help in the United States Congress. That was the difference. They ask me what's the difference. Well, let me tell you guys. Let me tell you 250 mournful pundits what the difference was. I didn't have to go ask Senator Kennedy if I could declare war or go on and move the troops. I didn't have to.

Listen, if I'd have listened to the leader of the United States Senate, George Mitchell, Saddam Hussein would be in Saudi Arabia, and you'd be paying 20 bucks a gallon for gasoline. Now, try that one on for size.

I'm getting sick and tired, I am, every single night hearing one of these carping little liberal Democrats jumping all over my you-know-what. *[Laughter]* And I can't wait until this campaign. And if I decide to become a candidate for President of the United States—*[laughter]*—why, I'm going to come right back up here and ask for your help.

Look, there's a lot of problems out here, a lot of things wrong with our country. There's an awful lot of things that are right about our country. Some people around here that may have been old enough to remember the conflict of the Vietnam war. There are some people around here that may have kids, parents, maybe in the 10th, 12th grade, who wonder, "Hey, is my kid going to have to go off and do combat in a superpower war?"; who go to bed at night saying their prayers, as most families do, wondering about the fear of nuclear war. That's been diminished.

I'll take the blame for some things, but please give us a little bit of credit for the fact that your kids and my grandkids have a chance to grow up now in a world that's much more peaceful. And that is fundamental.

And the second thing I'd say is this: This ain't the easiest job in the world. But I didn't expect it would be. But I love it every single minute, the challenge of trying to work for and hopefully improve the lot of the American people.

And the longer I'm in this job, the more important I think are the values that I think of as New Hampshire values, your family values, I hope they're mine, of family, involvement of parents in the lives of these kids, the need to do better in education, the need for all of us to come together at the community level or family level to knock out this scourge of drugs. And there's some good news on that in terms of the teenager use of cocaine. There's some good things happening out there.

But it's family and yes, faith. Somebody reminded me of Abraham Lincoln's comments about, during the Civil War, praying. Of course, you feel that way. These are fundamental values. And we have tried to live them. We have tried to emulate them. We have tried to advocate them. Thank God, Barbara Bush is out there hugging those kids and teaching people to read and serving, as she should, as an example to a lot of people in this country of a caring person. No political agenda, she just gives a darn.

And so, I'll roll up my sleeves and get into the arena when they decide who they want to have as their nominee. But in the meantime, let me tell you this: I know how I got there. I know how I got this opportunity to serve as President of the United States. And I've tried to be a good President. And now things aren't so good in some parts of this country. And we do care about it. But I believe there is a rainbow out there. And I need your help to prove it. So, I would appreciate your support. But whatever you decide, keep up this work. This is the America's spirit, alive and well and flourishing. And may God bless our great country. And don't ever apologize for it.

Thank you very much.

[At this point, Cabletron Systems officers presented a gift to the President.]

All right. Thank you all very much. That's great. Thank you.