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THE WHITE HOUSE

Office of the Press Secretary
(Philadelphia, Pennsylvania)

For Immediate Release

January 30, 1992

REMARKS BY THE PRESIDENT
TO GREATER PHILADELPHIA CHAMBER OF COMMERCE

Philadelphia Chamber of Commerce
Philadelphia, Pennsylvania

12:11 P.M. EST

THE PRESIDENT Thank you all very, very much for that welcome back. (Applause.) Please be seated, and thank you. Please be seated. I don't want to keep Boris Yeltsin waiting later on. (Laughter.)

Thank you, Joe. Senator Specter and Joan, laboring in the vineyards of the City Council here, we're delighted to be with you. And coming up with us from Washington were two of our great congressmen from this area, Larry Coughlin and Kurt Weldon over here.

And may I, too, salute the Mayor. I asked Joe earlier on how was it going, realizing that, as in Washington, things have been tough. But I think -- and across the country in many ways. But I said, knowing a little bit about history in Philadelphia, I asked this question, how's the Mayor doing. And Joe and everybody else I've spoken to has said he's really hit the ground in a wonderful way, going forward, bringing out the best in this city. So I want to salute Ed Rendell and his wife, Midge. (Applause.)

Joe Paquette, who introduced me, is the Chairman of the Greater Philadelphia Chamber. That was a very enthusiastic presentation he made about how things were going -- so much so that maybe he can make a little loan to those of us in Washington, D.C., who cannot have quite that optimistic a report. (Laughter.) But I like that can-do spirit of this Chamber, and I'm grateful to Charlie -- to Charlie Pizzi, and to Joe and all the rest of you that have put together this opportunity for me -- all of you at the Chamber.

And so, thank you very much. I am happy to be here in Philadelphia. As you can imagine, these last few weeks in Washington have been pretty high pressure -- high pressure time for me -- what with all the experts and the instant analysis and the columnists giving unsolicited advice. Thank goodness the Super Bowl is over. (Laughter.)

I am very pleased to be here, particularly pleased to be here today, because American businesses -- as represented by this group gathered here -- have a unique perspective on the tough times we've been going through recently. As businessmen and businesswomen, you can separate the sensational from the sensible, the sweet-sounding quick-fixes from real solutions. When it comes to America's economy, we can't accept empty symbols and slogans. We need to work together -- that's what I like what Joe was saying about the way the Mayor and you all are approaching it in this city -- we've got to work together nationally and turn this economy around.

Tuesday night, I came before the American people to outline a program for doing just that. And we all know this is an election year. The air back in Washington has been thick with feel-good gimmicks that have nothing to do with true prosperity and everything to do with politics. We need to get down to business --

MORE

for Congress to do the same thing. (Applause.) It can be done in that time frame.

What troubles me is if we let it drag on, it's going to get really caught up in the rough and tumble of 1992 national politics. People are crying out for help now, and the Congress can move. We've seen them do it on a wide array of legislative initiatives, and they can do it on these stimulative tax changes. So I ask every member of Congress -- and please tell them the same thing -- to set aside now partisanship for just 51 days and give this plan a chance. Get the plan, put it to work.

Immediate growth, as I mentioned at the outset, is just one part of the picture, one part of our program. We've got to look even further ahead -- to ensure that when the American economy regains its strength -- and inevitably it will -- it stays strong.

We start by opening markets to American goods. In our trade negotiations, we will continue to push for open trade, pulling down the barriers that stand in the way of international competition.

To guarantee that American goods and services are the world's finest, we must guarantee America's preeminence in another field -- in the field of education. Our America 2000 strategy will revolutionize education in this country, will create New American Schools, places where our kids will learn the lessons they need for a new century. And it will allow parents to choose their children's schools. Choice means competition, and you understand as well as anyone what comes from competition. Competition inspires innovation and creativity. It inspires excellence. And that's why we are going to push for our program, we're going to push for school choice.

As I look at education and the fact that we are not where we should be in world standing, it isn't a question of a change here and there. It isn't a question of adding to programs that have failed, programs mandated in Washington. It is a question, literally, of revolutionizing. And that's what we tried to do when we set the education goals, working with Republican and Democrat governors; that's what we're trying to do with Lamar Alexander in the lead for us, our Secretary of Education, as we take this America 2000 program all across the country. We need your help. It is the best possible investment for the future of this country.

Now, we need a healthy America -- and that means reforming health care. I think everyone would agree we cannot afford our present system. But we've reached a fork in the road. We can either go the way of greater government mandates, leading inevitably to a state system of nationalized care, with the long lines and indifferent service that such a system creates. Or we can reform our private system, preserving the greatest possible patient choice, maintaining the quality of care -- which, for all its faults, is still the best in the world. That's the approach I outlined in a rather broad detail Tuesday night, and that's the approach that I will take when we announce the full detail of our plan next week.

We've proposed another reform, one that is crucial to creating jobs. America has become the most litigious society on Earth. Frivolous lawsuits are exhausting our ability to compete. If we were as good at rewarding success as we are at suing each other, we would be a century ahead of the rest of the world. (Applause.)

Lawsuit madness gums everything up. Needed new products never reach the marketplace because of concerns over liability. In many areas, businesses are forced either to drive prices into the stratosphere -- or literally close shop.

My Competitiveness Council, that's chaired by the Vice President, Vice President Quayle, has offered 50 concrete recommendations to restore sanity to our civil justice system. I've

enacted some of these recommendations by Executive Order. Others, however, require Congress to act. And with all respect, there are 62 lawyers in the United States Senate, a lot of lawyers up there on Capitol Hill. I realize that might present a problem, but it also presents an opportunity. And I'd like to see them move forward now with these changes to cap some of these outrageous areas of unlimited liability. It's driving our small businesses right flat into the ground, and costing American workers jobs.

And, finally, I can use Congress's help in another all-important area. We must get the federal deficit under control. Now, let's face the facts: The government in Washington is too big and it spends too much. I have proposed a freeze on all domestic discretionary budget authority as well as a freeze on federal domestic government employment. And I have asked Congress to get rid of 216 federally-funded programs. Now, some of them have very noble titles. But in these times, none of them is indispensable. And I'm going to call on Congress to get rid of them. I think we're talking about something like \$4 billion in this regard. the list.

For too long, Congress has been violating an important principle of good government: Do no harm. It's been imposing its own habits on state and local governments -- and the taxpayer ends up, as you may all know, by footing the bill. These unfinanced federal government mandates, as they're called, require the cities, require the states to provide new services or institute new programs -- but the Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress's wish list to the taxpayer in the form of higher taxes at the local level. Now, the National Governor's Association -- made up, obviously, of Republicans and Democrats -- continually urge the Congress to stop these mandates, which are killing innovation, killing savings at the state and local level.

From now on, if Congress passes a mandate, it shouldn't pass the buck. Congress must pay for the mandates it imposes, without heaping on new taxes. (Applause.) I've spared you some of the detail. But taken together, these and other steps that I've outlined will, in my view, reinvigorate our economy -- give it the boost that it needs now, and ensure that it continues to provide opportunity and create jobs for all who want to partake. That is the promise America makes to her citizens. They have a right to expect no less.

Almost two centuries ago, Philadelphia's merchants gathered together at the City Tavern to form this Chamber of Commerce. They looked out on a nation almost limitless in possibility. A special kind of faith brought them here -- that if they worked hard, and worked together, their young country would allow them to fulfill their dreams. America has changed dramatically in those 200 years. And yet, the essentials remain. The pessimists are wrong; the pessimists are wrong. We are going to pull out of these tough times. Inflation is down; inventories are down. The market has been expressing optimism in the future. Interest rates are down.

This is no time for gloom and doom. It is time for action in Washington to restore confidence and get this economy moving again. (Applause.) And here's where you come in. We need your help. You can effect the way Congress approaches this program that I have outlined in some detail. We need your help. And with your help, we'll get that action, and we will reaffirm our country's rightful place as the world's leader, for this decade and for the next century.

Thank you all very, very much for this opportunity.
Thank you. (Applause.)

GREATER PHILADELPHIA CHAMBER OF COMMERCE
WYNDHAM FRANKLIN PLAZA HOTEL
JANUARY 30, 1992
12:00 PM

THANK YOU, JOE. SENATOR SPECTER; MAYOR RENDELL;
JOE PAQUETTE, CHAIRMAN OF THE GREATER PHILADELPHIA
CHAMBER OF COMMERCE; CHARLES PIZZI [PEE-ZEE], PRESIDENT
OF THE CHAMBER OF COMMERCE.

THANK YOU ALL VERY MUCH. ((I'M HAPPY TO BE HERE IN
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TUESDAY NIGHT, I CAME BEFORE THE AMERICAN PEOPLE TO OUTLINE MY PROGRAM FOR DOING JUST THAT. THIS IS AN ELECTION YEAR. THE AIR BACK IN WASHINGTON HAS BEEN THICK WITH FEEL-GOOD GIMMICKS THAT HAVE NOTHING TO DO WITH PROSPERITY AND EVERYTHING TO DO WITH POLITICS. WELL, WE NEED TO GET DOWN TO BUSINESS -- LITERALLY. IN THE CRITICAL WEEKS AHEAD, COMMON SENSE MUST REPLACE PARTISANSHIP. AND I NEED YOUR HELP.

THE PLAN I PUT BEFORE CONGRESS AND THE AMERICAN PEOPLE CONTAINED SEVERAL ACTION STEPS, AND ONE OF THE MOST CRITICAL WAS THIS: TO FREE UP AMERICAN BUSINESSES BY CLEARING AWAY THE OBSTACLES TO GROWTH -- HIGH TAXES, OVER-REGULATION, AND GOVERNMENT DEFICITS. I'VE OFFERED THE ONLY COMPREHENSIVE PLAN THAT DOESN'T RAISE TAX RATES, DOESN'T THROW AWAY THE SPENDING DISCIPLINE ON CONGRESS, AND DOESN'T CUT DEFENSE BEYOND WHAT'S NECESSARY FOR THIS COUNTRY'S SECURITY. BUT LET ME TELL YOU THE THREE WORDS THAT REALLY SEPARATE MY PLAN FROM THE REST OF THE PACK: IT WILL WORK.

EACH OF US HAS A ROLE TO PLAY, SO I AM MOVING FORWARD WITH STEPS I CAN TAKE RIGHT NOW. I HAVE INSTRUCTED EVERY CABINET DEPARTMENT TO SPEED UP PRO-GROWTH EXPENDITURES -- AS MUCH AS 10 BILLION DOLLARS WORTH -- IN THE NEXT SIX MONTHS. I DIRECTED THE SECRETARY OF THE TREASURY TO CHANGE THE FEDERAL TAX TABLES SO THAT MILLIONS OF AMERICANS CAN CHOOSE TO HAVE THE GOVERNMENT WITHHOLD LESS FROM THEIR PAYCHECKS. THAT COULD PUMP AS MUCH AS \$25 BILLION INTO THE ECONOMY THIS YEAR ALONE.

THAT'S MONEY IN THE POCKETS OF WORKING MEN AND WOMEN TO HELP PAY FOR CLOTHING, OR TO HELP SAVE FOR THEIR KIDS' COLLEGE EDUCATIONS, OR TO HELP BUY A NEW CAR. AFTER ALL, IT'S THEIR MONEY -- YOUR MONEY!

I HAVE INSTRUCTED CABINET DEPARTMENTS AND FEDERAL AGENCIES TO INSTITUTE A 90-DAY MORATORIUM ON NEW FEDERAL REGULATIONS THAT COULD HINDER GROWTH. WE WILL UNDERTAKE A TOP-TO-BOTTOM REVIEW IN THE FIELDS OF ENERGY, THE ENVIRONMENT, TRANSPORTATION, EXPORTS, FINANCIAL SERVICES, AND COMMUNICATIONS, AMONG OTHERS. HERE'S THE TEST: WE WILL ACCELERATE ANY REGULATIONS THAT ENCOURAGE GROWTH AND THE CREATION OF JOBS. AND WHENEVER POSSIBLE WE WILL SCRAP THOSE THAT TIE THE HANDS OF BUSINESS AND IMPEDE GROWTH.

I KNOW I HAVE REGULATORY RESPONSIBILITIES AFFECTING HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION. I WILL NOT NEGLECT THOSE RESPONSIBILITIES.

BUT YOU KNOW AS WELL AS ANYONE HOW GOVERNMENT -- SOMETIMES WITH THE BEST INTENTIONS -- CAN HOBBLE INNOVATION AND RISK-TAKING, THE LIFE-BLOOD OF A SUCCESSFUL BUSINESS. GOVERNMENT NATURALLY TENDS TO EXPAND EVER OUTWARD, ITS RED TAPE OBLIVIOUS TO ANYTHING STANDING IN ITS PATH. IT TOUCHES EVERYONE. EVERY REGULATION THAT REDUCES EFFICIENCY SLAPS A HIDDEN TAX ON THE CONSUMER AS WELL. FROM THE TAB ON A BAG OF GROCERIES AT THE CHECKOUT LINE TO THE STICKER PRICE ON THE SHOWROOM FLOOR -- EVERY AMERICAN TAKES A HIT WHEN THE GOVERNMENT OVER-REGULATES.

AMERICAN BUSINESSMEN AND -WOMEN NEED THE FREEDOM TO EXPERIMENT, TO COMPETE, WITHOUT LOOKING OVER THEIR SHOULDERS FOR WASHINGTON'S APPROVAL. SMALL BUSINESSES, AND THOSE JUST STARTING UP, FEEL THE STING OF OVER-REGULATION MOST OF ALL. YET THESE BUSINESSES DRIVE AMERICA FORWARD. THEY CREATE MOST OF OUR NEW JOBS. THEY REINVIGORATE OUR COMMUNITIES. THEY EMBODY THE POWER OF THE AMERICAN DREAM. I MAKE THIS PLEDGE: WE WILL SET AMERICA'S DREAMERS AND DOERS FREE AND PUT AN END TO REGULATORY OVERKILL.

EVEN NOW, AN UNTOLD NUMBER OF HARD-WORKING, RESPONSIBLE MEN AND WOMEN GO WITHOUT NEEDED BANK LOANS FOR STARTING UP A NEW BUSINESS, OR FOR INVESTING MORE IN AN EXISTING ONE. WE'VE GOT TO EASE THE CREDIT CRUNCH AND GIVE THESE PEOPLE A CHANCE. THAT'S WHY WE'VE GIVEN BANK REGULATORS MORE THAN 30 POLICY CHANGES AND CLARIFICATIONS TO RESTORE COMMON SENSE AND BALANCE TO THE REGULATORY SYSTEM.

I HAVE MENTIONED SOME OF THE THINGS I CAN DO. TUESDAY NIGHT, I TOLD CONGRESS DIRECTLY WHAT IT MUST DO.

I STARTED WITH THE OBVIOUS: NO INVESTMENT, NO NEW JOBS. CONGRESS MUST REWARD INVESTMENT AND STOP PUNISHING SUCCESS. FOR THREE YEARS NOW, I HAVE ASKED CONGRESS TO LOWER THE CAPITAL GAINS TAX. FOR THREE YEARS, THAT ESSENTIAL GROWTH MEASURE HAS BEEN PILLORIED AND PARODIED AS A WINDFALL FOR THE RICH. YOU AND I KNOW THAT CLAIM FOR WHAT IT IS: NONSENSE. SIXTY PERCENT OF THE PEOPLE WHO BENEFIT FROM LOWER CAPITAL GAINS HAVE INCOMES UNDER \$50,000.

A WINDFALL FOR THE RICH? BY FREEING UP INVESTMENT,
A CUT IN THE CAPITAL GAINS TAX CREATES NEW JOBS FOR
THOSE LOOKING FOR WORK AND BETTER JOBS FOR THOSE WHO
WANT TO MOVE UP. A LOWER CAPITAL GAINS TAX HELPS
ANYONE WHO OWNS A SMALL BUSINESS OR A FARM -- ANYONE
WHO OWNS A HOME -- ANYONE WHO HAS A SINGLE INVESTMENT.
WE'RE TALKING ABOUT HELPING EVERY WORKING MAN AND WOMAN
AND EVERY RETIRED PERSON IN THIS COUNTRY.

WE DON'T HAVE TIME FOR DEMAGOGUERY. IN JAPAN, THE EFFECTIVE CAPITAL GAINS TAX RATE COMES TO ABOUT ONE PERCENT; GERMANY DOESN'T TAX LONG-TERM CAPITAL GAINS AT ALL. TO CREATE JOBS, TO RESTORE A VIBRANT ECONOMY FOR ALL AMERICANS, CONGRESS MUST LOWER THE CAPITAL GAINS TAX. IT MUST LOWER THE CAPITAL GAINS TAX NOW. WITH A FEW SIMPLE STEPS, TAKEN RIGHT NOW, CONGRESS CAN HELP GET THE HOUSING INDUSTRY -- BUILDERS, INVESTORS, BUYERS AND SELLERS -- BACK ON ITS FEET. I HAVE ASKED CONGRESS TO EXTEND TAX INCENTIVES FOR MORTGAGE REVENUE BONDS AND LOW-INCOME HOUSING. AND TO THOSE YOUNG FAMILIES WHO WANT TO BUY THEIR FIRST HOME BUT CAN'T QUITE AFFORD IT, I SAY THIS: WE CAN HELP PUT YOUR DREAM WITHIN REACH. AND WE WILL. I HAVE OFFERED A PLAN TO ALLOW FIRST-TIME HOME BUYERS TO WITHDRAW SAVINGS FROM I.R.A.'S WITHOUT PENALTY, AND TO PROVIDE A \$5,000 TAX CREDIT FOR THE FIRST PURCHASE OF A HOME.

I HAVE ASKED CONGRESS TO MARK THE CALENDAR: THEY MUST PUT MY RECOVERY PLAN IN PLACE BY MARCH 20. YESTERDAY, I MET WITH THE LEADERS OF BOTH THE HOUSE AND SENATE UP ON CAPITOL HILL. I URGED THEM TO MEET THIS TIMETABLE. I SET THE DEADLINE BECAUSE OF A SIMPLE FACT: THE AMERICAN PEOPLE WANT ACTION. THEY DESERVE ACTION. OUR STATES ARE WORKING OVERTIME -- SO ARE THOUSANDS OF COMMUNITIES ACROSS THIS COUNTRY. THEY'RE TIGHTENING THEIR BELTS, AGGRESSIVELY FACING THE FUTURE. AND EVERY DAY, INDIVIDUAL AMERICANS ARE WORKING HARD TO GET THIS ECONOMY BACK ON ITS FEET.

WELL, IT'S TIME FOR CONGRESS TO DO THE SAME. I ASK EVERY MEMBER OF CONGRESS -- AND YOU CAN TELL THEM THE SAME THING -- TO SET ASIDE PARTISANSHIP FOR JUST 51 DAYS AND PUT MY PLAN TO WORK.

IMMEDIATE GROWTH IS JUST ONE PART OF THE PICTURE. WE'VE GOT TO LOOK EVEN FURTHER AHEAD -- TO ENSURE THAT WHEN THE AMERICAN ECONOMY REGAINS ITS STRENGTH, IT STAYS STRONG.

WE START BY OPENING MARKETS TO AMERICAN GOODS. IN OUR TRADE NEGOTIATIONS, WE WILL CONTINUE TO PUSH FOR OPEN TRADE, PULLING DOWN THE BARRIERS THAT STAND IN THE WAY OF INTERNATIONAL COMPETITION.

TO GUARANTEE THAT AMERICAN GOODS AND SERVICES ARE THE WORLD'S FINEST, WE MUST GUARANTEE AMERICA'S PREEMINENCE IN EDUCATION. MY AMERICA 2000 STRATEGY WILL CREATE NEW AMERICAN SCHOOLS, PLACES WHERE OUR KIDS WILL LEARN THE LESSONS THEY'LL NEED FOR A NEW CENTURY. AND IT WILL ALLOW PARENTS TO CHOOSE THEIR CHILDREN'S SCHOOLS. CHOICE MEANS COMPETITION, AND YOU UNDERSTAND AS WELL AS ANYONE WHAT COMES FROM COMPETITION. COMPETITION INSPIRES INNOVATION AND CREATIVITY. IT INSPIRES EXCELLENCE.

WE NEED A HEALTHY AMERICA -- AND THAT MEANS REFORMING HEALTH CARE. WE CAN'T AFFORD OUR PRESENT SYSTEM. BUT WE'VE REACHED A FORK IN THE ROAD. WE CAN EITHER GO THE WAY OF GREATER GOVERNMENT MANDATES, LEADING INEVITABLY TO A SYSTEM OF NATIONALIZED CARE, WITH THE LONG LINES AND INDIFFERENT SERVICE SUCH A SYSTEM CREATES. OR WE CAN REFORM OUR PRIVATE SYSTEM, PRESERVING THE GREATEST POSSIBLE PATIENT CHOICE AND MAINTAINING THE QUALITY OF CARE -- WHICH, FOR ALL ITS FAULTS, IS STILL THE BEST IN THE WORLD. THAT'S THE APPROACH I OUTLINED IN BROAD DETAIL TUESDAY NIGHT, AND THAT'S THE APPROACH I WILL TAKE WHEN I ANNOUNCE OUR REFORM PLAN IN FULLER DETAIL NEXT WEEK.

WE HAVE PROPOSED ANOTHER REFORM, ONE THAT IS CRUCIAL TO CREATING JOBS. AMERICA HAS BECOME THE MOST LITIGIOUS SOCIETY ON EARTH. FRIVOLOUS LAWSUITS ARE EXHAUSTING OUR ABILITY TO COMPETE. IF WE WERE AS GOOD AT REWARDING SUCCESS AS WE ARE AT SUING EACH OTHER, WE'D BE A CENTURY AHEAD OF THE REST OF THE WORLD.

LAWSUIT MADNESS GUMS EVERYTHING UP. NEEDED NEW PRODUCTS NEVER REACH THE MARKETPLACE BECAUSE OF CONCERNS OVER LIABILITY. IN MANY AREAS, BUSINESSES ARE FORCED EITHER TO DRIVE PRICES INTO THE STRATOSPHERE -- OR CLOSE SHOP. MY COMPETITIVENESS COUNCIL, CHAIRED BY VICE PRESIDENT QUAYLE, HAS OFFERED 50 CONCRETE RECOMMENDATIONS TO RESTORE SANITY TO OUR CIVIL JUSTICE SYSTEM. I'VE ENACTED SOME OF THESE RECOMMENDATIONS BY EXECUTIVE ORDER. OTHERS REQUIRE CONGRESS TO ACT. ((AND WITH ALL THE LAWYERS UP THERE ON CAPITOL HILL, THAT MAY TAKE SOME DOING.)) BUT WE WILL DO IT.

AND, FINALLY, I CAN USE CONGRESS'S HELP IN ANOTHER ALL-IMPORTANT AREA. WE MUST GET THE FEDERAL BUDGET DEFICIT UNDER CONTROL. LET'S FACE THE FACTS: THE GOVERNMENT IN WASHINGTON IS TOO BIG. IT SPENDS TOO MUCH. I HAVE PROPOSED A FREEZE ON ALL DOMESTIC DISCRETIONARY BUDGET AUTHORITY AS WELL AS A FREEZE ON FEDERAL DOMESTIC GOVERNMENT EMPLOYMENT. I HAVE ASKED CONGRESS TO GET RID OF 246 FEDERALLY-FUNDED PROGRAMS -- ~~[HERE'S THE LIST.] THESE ARE FRILLS THE TAXPAYER SHOULDN'T HAVE TO SUPPORT.~~

on those these how

FOR TOO LONG, CONGRESS HAS BEEN VIOLATING THE FIRST PRINCIPLE OF GOOD GOVERNMENT: DO NO HARM. IT HAS BEEN IMPOSING ITS OWN SPENDTHRIFT HABITS ON STATE AND LOCAL GOVERNMENTS -- AND THE TAXPAYER, AS ALWAYS, FOOTS THE BILL. THESE UNFINANCED FEDERAL GOVERNMENT MANDATES, AS THEY'RE CALLED, REQUIRE CITIES, COUNTIES AND STATES TO PROVIDE NEW SERVICES OR INSTITUTE NEW PROGRAMS -- BUT CONGRESS DOESN'T PROVIDE THE MONEY TO PAY FOR THEM. THAT MEANS THE LOCAL GOVERNMENTS MUST PASS ALONG CONGRESS'S WISH LIST TO THE TAXPAYER IN THE FORM OF HIGHER TAXES.

THE NATIONAL GOVERNOR'S ASSOCIATION -- MADE UP OF REPUBLICANS AND DEMOCRATS ALIKE -- CONTINUALLY URGE CONGRESS TO STOP THESE MANDATES, WHICH ARE KILLING INNOVATION AND SAVINGS AT THE STATE AND LOCAL LEVEL.

FROM NOW ON, IF CONGRESS PASSES A MANDATE, IT SHOULDN'T PASS THE BUCK. CONGRESS MUST PAY FOR THE MANDATES IT IMPOSES, WITHOUT HEAPING ON NEW TAXES.

TAKEN TOGETHER, THESE AND OTHER STEPS I'VE OUTLINED WILL REINVIGORATE OUR ECONOMY -- GIVE IT THE BOOST IT NEEDS NOW, AND ENSURE THAT IT CONTINUES TO PROVIDE OPPORTUNITY AND CREATE JOBS FOR ALL WHO WANT TO PARTAKE. THAT IS THE PROMISE AMERICA MAKES TO HER CITIZENS. THEY HAVE A RIGHT TO EXPECT NO LESS.

ALMOST TWO CENTURIES AGO, PHILADELPHIA'S MERCHANTS GATHERED TOGETHER AT THE CITY TAVERN TO FORM THIS CHAMBER OF COMMERCE. THEY LOOKED OUT ON A NEW NATION ALMOST LIMITLESS IN POSSIBILITY. A SPECIAL KIND OF FAITH BROUGHT THEM HERE -- THAT IF THEY WORKED HARD, AND WORKED TOGETHER, THEIR YOUNG COUNTRY WOULD ALLOW THEM TO FULFILL THEIR DREAMS. AMERICA HAS CHANGED DRAMATICALLY IN THOSE 200 YEARS. YET THE ESSENTIALS REMAIN. THE PESSIMISTS ARE WRONG. WE'RE GOING TO PULL OUT OF THESE TOUGH TIMES. INFLATION IS DOWN; INVENTORIES ARE DOWN. THE MARKET HAS BEEN EXPRESSING OPTIMISM IN THE FUTURE. THIS IS NO TIME FOR GLOOM AND DOOM. IT IS TIME FOR ACTION IN WASHINGTON TO RESTORE CONFIDENCE AND GET THE ECONOMY MOVING. WITH YOUR HELP, WE'LL GET THAT ACTION, AND WE WILL REAFFIRM OUR COUNTRY'S RIGHTFUL PLACE AS THE WORLD'S LEADER, FOR THIS DECADE AND FOR THE NEXT CENTURY.

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ON THE CONSUMER AS WELL. FROM THE TAB ON A BAG OF
GROCERIES AT THE CHECKOUT LINE TO THE STICKER PRICE ON
THE SHOWROOM FLOOR -- EVERY AMERICAN TAKES A HIT WHEN
THE GOVERNMENT OVER-REGULATES.

AMERICAN BUSINESSMEN AND -WOMEN NEED THE FREEDOM TO EXPERIMENT, TO COMPETE, WITHOUT LOOKING OVER THEIR SHOULDERS FOR WASHINGTON'S APPROVAL. SMALL BUSINESSES, AND THOSE JUST STARTING UP, FEEL THE STING OF OVER-REGULATION MOST OF ALL. YET THESE BUSINESSES DRIVE AMERICA FORWARD. THEY CREATE MOST OF OUR NEW JOBS. THEY REINVIGORATE OUR COMMUNITIES. THEY EMBODY THE POWER OF THE AMERICAN DREAM. I MAKE THIS PLEDGE: WE WILL SET AMERICA'S DREAMERS AND DOERS FREE AND PUT AN END TO REGULATORY OVERKILL.

EVEN NOW, AN UNTOLD NUMBER OF HARD-WORKING, RESPONSIBLE MEN AND WOMEN GO WITHOUT NEEDED BANK LOANS FOR STARTING UP A NEW BUSINESS, OR FOR INVESTING MORE IN AN EXISTING ONE. WE'VE GOT TO EASE THE CREDIT CRUNCH AND GIVE THESE PEOPLE A CHANCE. THAT'S WHY WE'VE GIVEN BANK REGULATORS MORE THAN 30 POLICY CHANGES AND CLARIFICATIONS TO RESTORE COMMON SENSE AND BALANCE TO THE REGULATORY SYSTEM.

I HAVE MENTIONED SOME OF THE THINGS I CAN DO.
TUESDAY NIGHT, I TOLD CONGRESS DIRECTLY WHAT IT MUST
DO.

I STARTED WITH THE OBVIOUS: NO INVESTMENT, NO NEW
JOBS. CONGRESS MUST REWARD INVESTMENT AND STOP
PUNISHING SUCCESS. FOR THREE YEARS NOW, I HAVE ASKED
CONGRESS TO LOWER THE CAPITAL GAINS TAX. FOR THREE
YEARS, THAT ESSENTIAL GROWTH MEASURE HAS BEEN PILLORIED
AND PARODIED AS A WINDFALL FOR THE RICH. YOU AND I
KNOW THAT CLAIM FOR WHAT IT IS: NONSENSE. SIXTY
PERCENT OF THE PEOPLE WHO BENEFIT FROM LOWER CAPITAL
GAINS HAVE INCOMES UNDER \$50,000.

A WINDFALL FOR THE RICH? BY FREEING UP INVESTMENT, A CUT IN THE CAPITAL GAINS TAX CREATES NEW JOBS FOR THOSE LOOKING FOR WORK AND BETTER JOBS FOR THOSE WHO WANT TO MOVE UP. A LOWER CAPITAL GAINS TAX HELPS ANYONE WHO OWNS A SMALL BUSINESS OR A FARM -- ANYONE WHO OWNS A HOME -- ANYONE WHO HAS A SINGLE INVESTMENT. WE'RE TALKING ABOUT HELPING EVERY WORKING MAN AND WOMAN AND EVERY RETIRED PERSON IN THIS COUNTRY.

WE DON'T HAVE TIME FOR DEMAGOGUERY. IN JAPAN, THE EFFECTIVE CAPITAL GAINS TAX RATE COMES TO ABOUT ONE PERCENT; GERMANY DOESN'T TAX LONG-TERM CAPITAL GAINS AT ALL. TO CREATE JOBS, TO RESTORE A VIBRANT ECONOMY FOR ALL AMERICANS, CONGRESS MUST LOWER THE CAPITAL GAINS TAX. IT MUST LOWER THE CAPITAL GAINS TAX NOW. WITH A FEW SIMPLE STEPS, TAKEN RIGHT NOW, CONGRESS CAN HELP GET THE HOUSING INDUSTRY -- BUILDERS, INVESTORS, BUYERS AND SELLERS -- BACK ON ITS FEET. I HAVE ASKED CONGRESS TO EXTEND TAX INCENTIVES FOR MORTGAGE REVENUE BONDS AND LOW-INCOME HOUSING. AND TO THOSE YOUNG FAMILIES WHO WANT TO BUY THEIR FIRST HOME BUT CAN'T QUITE AFFORD IT, I SAY THIS: WE CAN HELP PUT YOUR DREAM WITHIN REACH. AND WE WILL. I HAVE OFFERED A PLAN TO ALLOW FIRST-TIME HOME BUYERS TO WITHDRAW SAVINGS FROM I.R.A.'S WITHOUT PENALTY, AND TO PROVIDE A \$5,000 TAX CREDIT FOR THE FIRST PURCHASE OF A HOME.

I HAVE ASKED CONGRESS TO MARK THE CALENDAR: THEY MUST PUT MY RECOVERY PLAN IN PLACE BY MARCH 20. YESTERDAY, I MET WITH THE LEADERS OF BOTH THE HOUSE AND SENATE UP ON CAPITOL HILL. I URGED THEM TO MEET THIS TIMETABLE. I SET THE DEADLINE BECAUSE OF A SIMPLE FACT: THE AMERICAN PEOPLE WANT ACTION. THEY DESERVE ACTION. OUR STATES ARE WORKING OVERTIME -- SO ARE THOUSANDS OF COMMUNITIES ACROSS THIS COUNTRY. THEY'RE TIGHTENING THEIR BELTS, AGGRESSIVELY FACING THE FUTURE. AND EVERY DAY, INDIVIDUAL AMERICANS ARE WORKING HARD TO GET THIS ECONOMY BACK ON ITS FEET.

WELL, IT'S TIME FOR CONGRESS TO DO THE SAME. I ASK EVERY MEMBER OF CONGRESS -- AND YOU CAN TELL THEM THE SAME THING -- TO SET ASIDE PARTISANSHIP FOR JUST 51 DAYS AND PUT MY PLAN TO WORK.

IMMEDIATE GROWTH IS JUST ONE PART OF THE PICTURE. WE'VE GOT TO LOOK EVEN FURTHER AHEAD -- TO ENSURE THAT WHEN THE AMERICAN ECONOMY REGAINS ITS STRENGTH, IT STAYS STRONG.

WE START BY OPENING MARKETS TO AMERICAN GOODS. IN OUR TRADE NEGOTIATIONS, WE WILL CONTINUE TO PUSH FOR OPEN TRADE, PULLING DOWN THE BARRIERS THAT STAND IN THE WAY OF INTERNATIONAL COMPETITION.

TO GUARANTEE THAT AMERICAN GOODS AND SERVICES ARE THE WORLD'S FINEST, WE MUST GUARANTEE AMERICA'S PREEMINENCE IN EDUCATION. MY AMERICA 2000 STRATEGY WILL CREATE NEW AMERICAN SCHOOLS, PLACES WHERE OUR KIDS WILL LEARN THE LESSONS THEY'LL NEED FOR A NEW CENTURY. AND IT WILL ALLOW PARENTS TO CHOOSE THEIR CHILDREN'S SCHOOLS. CHOICE MEANS COMPETITION, AND YOU UNDERSTAND AS WELL AS ANYONE WHAT COMES FROM COMPETITION. COMPETITION INSPIRES INNOVATION AND CREATIVITY. IT INSPIRES EXCELLENCE.

WE NEED A HEALTHY AMERICA -- AND THAT MEANS REFORMING HEALTH CARE. WE CAN'T AFFORD OUR PRESENT SYSTEM. BUT WE'VE REACHED A FORK IN THE ROAD. WE CAN EITHER GO THE WAY OF GREATER GOVERNMENT MANDATES, LEADING INEVITABLY TO A SYSTEM OF NATIONALIZED CARE, WITH THE LONG LINES AND INDIFFERENT SERVICE SUCH A SYSTEM CREATES. OR WE CAN REFORM OUR PRIVATE SYSTEM, PRESERVING THE GREATEST POSSIBLE PATIENT CHOICE AND MAINTAINING THE QUALITY OF CARE -- WHICH, FOR ALL ITS FAULTS, IS STILL THE BEST IN THE WORLD. THAT'S THE APPROACH I OUTLINED IN BROAD DETAIL TUESDAY NIGHT, AND THAT'S THE APPROACH I WILL TAKE WHEN I ANNOUNCE OUR REFORM PLAN IN FULLER DETAIL NEXT WEEK.

WE HAVE PROPOSED ANOTHER REFORM, ONE THAT IS CRUCIAL TO CREATING JOBS. AMERICA HAS BECOME THE MOST LITIGIOUS SOCIETY ON EARTH. FRIVOLOUS LAWSUITS ARE EXHAUSTING OUR ABILITY TO COMPETE. IF WE WERE AS GOOD AT REWARDING SUCCESS AS WE ARE AT SUING EACH OTHER, WE'D BE A CENTURY AHEAD OF THE REST OF THE WORLD.

LAWSUIT MADNESS GUMS EVERYTHING UP. NEEDED NEW PRODUCTS NEVER REACH THE MARKETPLACE BECAUSE OF CONCERNS OVER LIABILITY. IN MANY AREAS, BUSINESSES ARE FORCED EITHER TO DRIVE PRICES INTO THE STRATOSPHERE -- OR CLOSE SHOP. MY COMPETITIVENESS COUNCIL, CHAIRED BY VICE PRESIDENT QUAYLE, HAS OFFERED 50 CONCRETE RECOMMENDATIONS TO RESTORE SANITY TO OUR CIVIL JUSTICE SYSTEM. I'VE ENACTED SOME OF THESE RECOMMENDATIONS BY EXECUTIVE ORDER. OTHERS REQUIRE CONGRESS TO ACT. ((AND WITH ALL THE LAWYERS UP THERE ON CAPITOL HILL, THAT MAY TAKE SOME DOING.)) BUT WE WILL DO IT.

AND, FINALLY, I CAN USE CONGRESS'S HELP IN ANOTHER ALL-IMPORTANT AREA. WE MUST GET THE FEDERAL BUDGET DEFICIT UNDER CONTROL. LET'S FACE THE FACTS: THE GOVERNMENT IN WASHINGTON IS TOO BIG. IT SPENDS TOO MUCH. I HAVE PROPOSED A FREEZE ON ALL DOMESTIC DISCRETIONARY BUDGET AUTHORITY AS WELL AS A FREEZE ON FEDERAL DOMESTIC GOVERNMENT EMPLOYMENT. I HAVE ASKED CONGRESS TO GET RID OF 246 FEDERALLY-FUNDED PROGRAMS -- [HERE'S THE LIST.] THESE ARE FRILLS THE TAXPAYER SHOULDN'T HAVE TO SUPPORT.

FOR TOO LONG, CONGRESS HAS BEEN VIOLATING THE FIRST PRINCIPLE OF GOOD GOVERNMENT: DO NO HARM. IT HAS BEEN IMPOSING ITS OWN SPENDTHRIFT HABITS ON STATE AND LOCAL GOVERNMENTS -- AND THE TAXPAYER, AS ALWAYS, FOOTS THE BILL. THESE UNFINANCED FEDERAL GOVERNMENT MANDATES, AS THEY'RE CALLED, REQUIRE CITIES, COUNTIES AND STATES TO PROVIDE NEW SERVICES OR INSTITUTE NEW PROGRAMS -- BUT CONGRESS DOESN'T PROVIDE THE MONEY TO PAY FOR THEM. THAT MEANS THE LOCAL GOVERNMENTS MUST PASS ALONG CONGRESS'S WISH LIST TO THE TAXPAYER IN THE FORM OF HIGHER TAXES.

THE NATIONAL GOVERNOR'S ASSOCIATION -- MADE UP OF REPUBLICANS AND DEMOCRATS ALIKE -- CONTINUALLY URGE CONGRESS TO STOP THESE MANDATES, WHICH ARE KILLING INNOVATION AND SAVINGS AT THE STATE AND LOCAL LEVEL.

FROM NOW ON, IF CONGRESS PASSES A MANDATE, IT SHOULDN'T PASS THE BUCK. CONGRESS MUST PAY FOR THE MANDATES IT IMPOSES, WITHOUT HEAVING ON NEW TAXES.

TAKEN TOGETHER, THESE AND OTHER STEPS I'VE OUTLINED WILL REINVIGORATE OUR ECONOMY -- GIVE IT THE BOOST IT NEEDS NOW, AND ENSURE THAT IT CONTINUES TO PROVIDE OPPORTUNITY AND CREATE JOBS FOR ALL WHO WANT TO PARTAKE. THAT IS THE PROMISE AMERICA MAKES TO HER CITIZENS. THEY HAVE A RIGHT TO EXPECT NO LESS.

ALMOST TWO CENTURIES AGO, PHILADELPHIA'S MERCHANTS GATHERED TOGETHER AT THE CITY TAVERN TO FORM THIS CHAMBER OF COMMERCE. THEY LOOKED OUT ON A NEW NATION ALMOST LIMITLESS IN POSSIBILITY. A SPECIAL KIND OF FAITH BROUGHT THEM HERE -- THAT IF THEY WORKED HARD, AND WORKED TOGETHER, THEIR YOUNG COUNTRY WOULD ALLOW THEM TO FULFILL THEIR DREAMS. AMERICA HAS CHANGED DRAMATICALLY IN THOSE 200 YEARS. YET THE ESSENTIALS REMAIN. THE PESSIMISTS ARE WRONG. WE'RE GOING TO PULL OUT OF THESE TOUGH TIMES. INFLATION IS DOWN; INVENTORIES ARE DOWN. THE MARKET HAS BEEN EXPRESSING OPTIMISM IN THE FUTURE. THIS IS NO TIME FOR GLOOM AND DOOM. IT IS TIME FOR ACTION IN WASHINGTON TO RESTORE CONFIDENCE AND GET THE ECONOMY MOVING. WITH YOUR HELP, WE'LL GET THAT ACTION, AND WE WILL REAFFIRM OUR COUNTRY'S RIGHTFUL PLACE AS THE WORLD'S LEADER, FOR THIS DECADE AND FOR THE NEXT CENTURY.

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THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

1/29/92
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January 29, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST
TONY SNOW

FROM: ANDY FERGUSON *af*

SUBJECT: PHILADELPHIA CHAMBER OF COMMERCE

On Thursday, January 30 at 12 noon, you will address the Greater Philadelphia Chamber of Commerce. Joe Paquette, Chairman of the Chamber of Commerce, will introduce you. Your remarks (14 minutes, teleprompter) focus on the capital gains tax cut, tort reform, and deregulation.

OK with changes

(Ferguson/Aarhus)
January 29, 1992
Draft 5
COMMERCE

PRESIDENTIAL REMARKS: GREATER PHILADELPHIA CHAMBER OF COMMERCE
WYNDHAM FRANKLIN PLAZA HOTEL
JANUARY 30, 1992
12:00 PM

[Thank you, Joe. Senator Specter; Mayor Rendell; Joe Paquette, Chairman of the Greater Philadelphia Chamber of Commerce; Charles Pizzi, President of the Chamber of Commerce]

Thank you all very much. ((I'm happy to be here in Philadelphia. As you can imagine, these last few weeks in Washington have been a pretty high-pressure time for me -- what with all the clammering of experts and the instant analysis and the columnists giving unsolicited advice. Thank goodness the Super Bowl is finally over.))

I'm particularly pleased to be here today, because American businesses -- as represented by this group gathered here -- have a unique perspective on the tough times we've been going through recently. As businessmen and -women, you can separate the sensational from the sensible, the sweet-sounding quick-fixes from real solutions. When it comes to America's economy, we can't accept empty symbols and slogans. We need to work together -- and turn this economy around.

Tuesday night, I came before the American people to outline my program for doing just that. This is an election year. The air back in Washington has been thick with feel-good gimmicks that have nothing to do with prosperity and everything to do with politics. Well, we need to get down to business -- literally. In

the critical weeks ahead, common sense must replace partisanship. And I need your help.

The plan I put before Congress and the American people contained several action steps, one of the most critical was this: to free up American businesses by clearing away the obstacles to growth -- high taxes, over-regulation, and government deficits. I've offered the only comprehensive plan that doesn't raise tax rates, doesn't throw away the spending discipline on Congress, and doesn't cut defense beyond what's necessary for this country's security. But let me tell you three words that separate my plan from the rest of the pack: It will work.

Each of us has a role to play, so I am moving forward with steps I can take right now. I have instructed every Cabinet department to speed up pro-growth expenditures -- as much as 10 billion dollars worth -- in the next six months. I directed the Secretary of the Treasury to change the federal tax tables so

that millions of Americans can choose to have the government withhold less from their paychecks. *(25 billion into the economy in just this one year if everyone opts to participate)*
That puts money in the pockets of working men and women to help pay for clothing, or to help save for their kids' college educations, or to help buy a new car. After all, it's their money -- your money! ~~Some in Washington seem to have forgotten that. Well, I haven't and I never will.~~

I have instructed Cabinet departments and federal agencies to institute a 90-day moratorium on new federal regulations that

could hinder growth. We will undertake a top-to-bottom review in the fields of energy, the environment, transportation, exports, financial services, and communications, among others. Here's the test: We will accelerate any regulations that encourage growth and the creation of jobs. And whenever possible we will scrap those that tie the hands of business and impede growth.

You know as well as anyone how government -- sometimes with the best intentions -- can hobble innovation and risk-taking, the life-blood of a successful business. Government naturally tends to expand ever outward, its red tape oblivious to anything standing in its path. It touches everyone. Every regulation that reduces efficiency slaps a hidden tax on the consumer as well. From the tab on a bag of groceries at the checkout line to the sticker price on the showroom floor -- every American takes a hit when the government over-regulates.

American businessmen and -women need the freedom to experiment, to compete, without looking over their shoulders for Washington's approval. Small businesses, and those just starting up, feel the sting of over-regulation most of all. Yet these businesses drive America forward. They create most of our new jobs. They reinvigorate our communities. They embody the power of the American dream. I make this pledge: we will set America's dreamers and doers free and put an end to regulatory overkill.

Even now, an untold number of hard-working, responsible men and women go without needed bank loans for starting up a new

I know I have regulatory responsibilities affecting health, safety, environmental protection. I will not neglect these responsibilities.

We have already instructed our regulators to
4 (ask Treasury)

business or for investing more in an existing one. We've got to ease the credit crunch and give these people a chance.

I have mentioned some of the things I can do. Tuesday night, I told Congress directly what it must do.

I started with the obvious: No investment, no new jobs. Congress must reward investment and stop punishing success. For three years now, I have asked Congress to lower the capital gains tax. For three years, that essential growth measure has been pilloried and parodied as a windfall for the rich. You and I know that claim for what it is: nonsense. Sixty percent of the people who benefit from lower capital gains have incomes under \$50,000.

A windfall for the rich? By freeing up investment, a cut in the capital gains tax creates new jobs for those looking for work and better jobs for those who want to move up. A lower capital gains tax helps anyone who owns a small business or a farm -- anyone who owns a home -- anyone who has a single investment. We're talking about helping every working man and woman and every retired person in this country.

We don't have time for demagoguery. To create jobs, to restore a vibrant economy for all Americans, Congress must lower the capital gains tax. It must lower the capital gains tax now.

With a few simple steps, taken right now, Congress can help get the housing industry -- builders, investors, buyers and sellers -- back on its feet. I have asked Congress to extend tax incentives for mortgage revenue bonds and low-income housing.

Try to hold in one sentence on what Japan or Germany do.

And to those young families who want to buy their first home but can't quite afford it, I say this: We can help put your dream within reach. And we will. I have offered a plan to allow first-time home buyers to withdraw savings from IRAs without penalty, and to provide a \$5,000 tax credit for the first purchase of a home.

I have asked Congress to mark the calendar: They must put my recovery plan in place by March 20. I set this deadline because of a simple fact: The American people want action. They deserve action. Our states are working overtime -- so are thousands of communities across this country. They're tightening their belts, aggressively facing the future. And every day, individual Americans are working hard to get this economy back on its feet.

Well, it's time for Congress to do the same. I ask every member of Congress -- and you can tell them the same thing -- to set aside partisanship for just 51 days and put my plan to work.

Immediate growth is just one part of the picture. We've got to look even further ahead -- to ensure that when the American economy regains its strength, it stays strong.

We start by opening markets to American goods. In our trade negotiations, we will continue to push for open trade, pulling down the barriers that stand in the way of international competition.

To guarantee that American goods and services are the world's finest, we must guarantee America's preeminence in education. My America 2000 strategy will create New American

Yesterday I met with the leaders of both House & Senate up on Cap. Hill to urge they to meet this timetable

Schools, places where our kids will learn the lessons they'll need for a new century. And it will allow parents to choose their children's schools. Choice means competition, and you understand as well as anyone what comes from competition. Competition inspires innovation and creativity. It inspires excellence.

We need a healthy America -- and that means reforming health care. We can't afford our present system. But we've reached a fork in the road. We can either go the way of greater government mandates, leading inevitably to a system of nationalized care, with the long lines and indifferent service such a system creates. Or we can reform our private system, preserving the greatest possible patient choice and maintaining the quality of care -- which, for all its faults, is still the best in the world. *That's the approach I announced Tues Night in broad detail and* That's the approach I will take when I announce our *fuller* reform plan in detail next [week].

We have proposed another reform, one that is crucial to creating jobs. America has become the most litigious society on earth. Frivolous lawsuits are exhausting our ability to compete. If we were as good at rewarding success as we are at suing each other, we'd be a century ahead of the rest of the world.

Lawsuit madness gums everything up. Needed new products never reach the marketplace because of concerns over liability. In many areas, businesses are forced either to drive prices into the stratosphere -- or close shop. My Competitiveness Council, chaired by Vice President Quayle, has offered 50 concrete

recommendations to restore sanity to our civil justice system. I've enacted some of these recommendations by Executive Order. Others require Congress to act. And with all the lawyers up there on Capitol Hill, that may take some doing. But we will do it.

And, finally, I can use Congress's help in one other area. We must get the federal budget deficit under control. Let's face the facts: The government in Washington is too big. It spends too much. I have proposed a freeze on all domestic discretionary budget authority as well as a freeze on federal domestic government employment. I have asked Congress to get rid of 246 federally-funded programs -- [Here's the list.] These are frills the taxpayer shouldn't have to support.

For too long, Congress has been violating the first principle of good government: Do no harm. It has been imposing its own spendthrift habits on state and local governments -- and the taxpayer, as always, foots the bill. These unfinanced federal government mandates, as they're called, require cities, counties and states to provide new services or institute new programs -- but Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress's wish list to the taxpayer in the form of higher taxes.

From now on, if Congress passes a mandate, it shouldn't pass the buck. Congress must pay for the mandates it imposes, without heaping on new taxes.

*The Natl Gov Assoc made up of
Rep & Demos actually urge the Congress
to stop these mandates, which are killing
innovation and saving at the state, local level*

Taken together, these and other steps I've outlined will reinvigorate our economy -- give it the boost it needs now, and ensure that it continues to provide opportunity and create jobs for all who want to partake. That is the promise America makes to her citizens. They have a right to expect no less.

Almost two centuries ago, Philadelphia's merchants gathered together at the City Tavern to form this Chamber of Commerce. They looked out on a new nation almost limitless in possibility. A special kind of faith brought them here -- that if they worked hard, and worked together, their young country would allow them to fulfill their dreams. America has changed dramatically in those 200 years. Yet the essentials remain. The pessimists are wrong. We're going to pull out of these tough times. In America, success still greets those who work hard and work together. In the coming weeks, we have a chance to renew that faith, to reaffirm our country's rightful place as the world's leader, for this decade and for the next century.

Save! Inflation is down, interest rates are down. The market has been expressing optimism in the future

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This is no time for gloom & doom. It is time for action in Washington to restore confidence & get the economy moving

THE WHITE HOUSE

WASHINGTON

January 29, 1992

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 TONY SNOW

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For too long, Congress has been violating the first principle of good government: Do no harm. It has been imposing its own spendthrift habits on state and local governments -- and the taxpayer, as always, foots the bill. These unfinanced federal government mandates, as they're called, require cities, counties and states to provide new services or institute new programs -- but Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress's wish list to the taxpayer in the form of higher taxes.

From now on, if Congress passes a mandate, it shouldn't pass the buck. Congress must pay for the mandates it imposes, without heaping on new taxes.

Taken together, these and other steps I've outlined will reinvigorate our economy -- give it the boost it needs now, and ensure that it continues to provide opportunity and create jobs for all who want to partake. That is the promise America makes to her citizens. They have a right to expect no less.

Almost two centuries ago, Philadelphia's merchants gathered together at the City Tavern to form this Chamber of Commerce. They looked out on a new nation almost limitless in possibility. A special kind of faith brought them here -- that if they worked hard, and worked together, their young country would allow them to fulfill their dreams. America has changed dramatically in those 200 years. Yet the essentials remain. The pessimists are wrong. We're going to pull out of these tough times. In America, success still greets those who work hard and work together. In the coming weeks, we have a chance to renew that faith, to reaffirm our country's rightful place as the world's leader, for this decade and for the next century.

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(Ferguson/Aarhus)
January 29, 1992
Draft 4
COMMERCE

PRESIDENTIAL REMARKS: GREATER PHILADELPHIA CHAMBER OF COMMERCE
WYNDHAM PLAZA HOTEL
JANUARY 30, 1992
12:00 PM

[Acknowledgments.]

Thank you all very much. ((I'm happy to be here in Philadelphia. As you can imagine, these last few weeks in Washington have been a pretty high-pressure time for me -- what with all the clammering of experts and the instant analysis and the columnists giving unsolicited advice. Thank goodness the Super Bowl is finally over.))

I'm particularly pleased to be here today, because American businesses -- as represented by this group gathered here -- have a unique perspective on the tough times we've been going through recently. As businessmen and -women, you can separate the sensational from the sensible, the sweet-sounding quick-fixes from real solutions. When it comes to America's economy, we can't accept empty symbols and slogans. We need to work together -- and turn this economy around.

Tuesday night, I came before the American people to outline my program for doing just that. This is an election year. The air back in Washington has been thick with feel-good gimmicks that have nothing to do with prosperity and everything to do with politics. Well, we need to get down to business -- literally. In the critical weeks ahead, common sense must replace partisanship. And I need your help.

The ^{plan} ~~program~~ I ^{put} ~~laid~~ before ^{the} Congress and the American people contained several ^{action steps} components, and one of ^{the} our most critical goals was this: to free up American businesses by clearing away the obstacles to growth -- high taxes, over-regulation, and government deficits. I've offered the only comprehensive plan that doesn't raise tax rates, doesn't throw away the spending discipline on Congress, and doesn't cut defense beyond what's necessary for this country's security. But let me tell you ^{three} ~~what~~ ^{words that} really separates ~~my~~ ^{rest of pack!} plan from the ~~others floating around out~~ there: It will work.

Each of us has a role to play, so I am moving forward with steps I can take right now. I have instructed every cabinet department to speed up pro-growth expenditures -- as much as 10 billion dollars worth -- in the next six months. I directed the Secretary of the Treasury to change the federal tax tables so that millions of Americans can choose to have the government withhold less from their paychecks.

That puts money in the pockets of working men and women to help pay for clothing or college, ^{save for their kids} or to help buy a new car. After all, it's their ^{your money!} money. Some in Washington seem to have forgotten that. Well, I haven't and I never will.

~~Most important,~~ I have instructed cabinet departments and federal agencies to institute a 90-day moratorium on new federal regulations that could hinder growth. We will undertake a ^{top-to-bottom} ~~comprehensive~~ review in the fields of energy, the environment, transportation, exports, financial services, and communications,

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among others. Here's the test: We will accelerate any regulations that encourage growth and the creation of jobs. And whenever possible we will scrap those that tie the hands of business and impede growth.

You know as well as anyone how government -- sometimes with the best intentions -- can hobble innovation and risk-taking, the life-blood of a successful business. Government ~~bureaucracy~~ naturally tends to expand ever outward, ^{its red tape} oblivious to anything standing in its path. It ~~touches everyone~~. Every regulation that reduces efficiency slaps a hidden tax on the consumer ^{as well.} From the tab on a bag of groceries at the checkout line to the sticker price on the showroom floor -- every American takes a hit when the government over-regulates.

American businessmen and -women need the freedom to experiment, to compete, without looking over their shoulders for Washington's approval. Small businesses, and those just starting up, feel the sting of over-regulation most of all. Yet these businesses drive America forward. They create most of our new jobs. They reinvigorate our communities. They embody the power of the American dream.

Even now, an untold number of hard-working, responsible men and women ~~have been forced to~~ go without needed bank loans ^{for starting up} ^{up a new} ^{business or} ^{investing} ^{more in} ^{an} ^{existing} ^{one.} We've got to ease the credit crunch and give these people a chance. I make this pledge: we will set America's dreamers and doers free and put an end to regulatory overkill.

This is the ~~spot~~ spot for urging Congress ^{to} pass our banking reform bill.

4

These are the things I can do. Tuesday night, I told Congress directly what it must do.

I started with the obvious: No investment, no new jobs. Congress must reward investment and stop punishing success. For three years now, I have asked Congress to lower the capital gains tax. For three years, that essential growth measure has been pilloried and parodied as a windfall for the rich. You know and ~~I know~~ ^{and I} that claim for what it is: nonsense. Sixty percent of the people who benefit from lower capital gains have incomes under \$50,000.

A windfall for the rich? By freeing up investment, a cut in the capital gains tax creates new jobs for those ^{looking for work} ~~without them~~ and better jobs for those who want to move up. A lower capital gains tax helps anyone who owns a small business or a farm -- anyone who owns a home -- anyone who has a single investment. We're talking about helping every working man and woman and every retired person in this country.

We don't have time for demagoguery. To create jobs, to restore a vibrant economy for all Americans, Congress must lower the capital gains tax. It must lower the capital gains tax now.

With a few simple steps, taken right now, Congress can help get the housing industry -- builders, investors, buyers and sellers -- back on its feet. I have asked Congress to extend tax incentives for mortgage revenue bonds and low-income housing. And to those young families who want to buy their first home but can't quite afford it, I say this: We can help put your dream

within reach. And we will. I have offered a plan to allow first-time home buyers to withdraw savings from IRAs without penalty, and to provide a \$5,000 tax credit for the first purchase of a home.

I have asked Congress to mark the calendar: They must put my recovery plan in place by March 20. I set this deadline because of a simple fact: The American people want action. They deserve action. ^{And} Every day, ^{individual} Americans are working hard to get this economy back on its feet. ^{Will} It's a time for Congress to do the same.

I ask every member of Congress -- and ~~I ask you~~ ^{can tell me on the} ~~to make the same~~ ^{same} ~~request~~ -- to set aside partisanship for just 51 days and put my plan to work.

~~But~~ ^{So are} ^{thousands} ^{of} ^{Americans} ^{tightening} ^{their belts} ^{aggressively} ^{securing} ^{the} ^{future} ~~Immediate~~ growth is just one part of the picture. We've got to look even further ahead -- to ensure that when the American economy regains its strength, it stays strong.

We start by opening markets to American goods. In our trade negotiations, we will continue to push for open trade, pulling down the barriers that stand in the way of international competition.

To guarantee that American goods and services are the world's finest, we must guarantee America's preeminence in education. My America 2000 strategy will create New American Schools, places where our kids will learn the lessons they'll need for a new century. And it will allow parents to choose their children's schools. Choice means competition, and you understand as well as anyone what comes from competition.

Handwritten notes:
The nation's
states
are working
over time -
So are
thousands
of
Americans
tightening
their belts
aggressively
securing
the
future

6

Competition inspires innovation and creativity. It inspires excellence.

We need a healthy America -- and that means reforming health care. We can't afford our present system. But we've reached a fork in the road. We can either go the way of greater government mandates, leading inevitably to a system of nationalized care, with the long lines and indifferent service such a system creates. Or we can reform our private system, preserving the greatest possible patient choice and maintaining the quality of care -- which, for all its faults, is still the best in the world. That's the approach I will take when I announce our reform plan in detail next [week].

We have proposed another reform, one that is crucial to creating jobs. America has become the most litigious society on earth. Frivolous lawsuits are exhausting our ability to compete. If we were as good at rewarding success as we are at suing each other, we'd be a century ahead of the rest of the world.

Lawsuit madness gums everything up. Needed new products never reach the marketplace because of concerns over liability. In many areas, businesses are forced either to drive prices into the stratosphere -- or close shop. My Competitiveness Council, chaired by Vice President Quayle, has offered 50 concrete recommendations to restore sanity to our civil justice system. I've enacted some of these recommendations by Executive Order. Others require Congress to act. And with all the lawyers up

7

there on Capitol Hill, that make take some doing. But we will do it.

And, finally, I can use Congress's help in one other area. We must get the federal budget deficit under control. Let's face the facts: The government in Washington is too big. It spends too much. I have proposed a freeze on all domestic discretionary budget authority. I want to reduce total federal employment by four percent -- and I mean to do it. I have asked Congress to get rid of 246 federal programs -- ^{there's the deal} frills the taxpayer shouldn't have to support.

For too long, Congress has been violating the first principle of good government: Do no harm. It has been imposing its own spendthrift habits on state and local governments -- and the taxpayer, as always, foots the bill. These unfinanced government mandates, as they're called, require cities, counties and states to provide new services or institute new programs -- but Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress's wish list to the taxpayer in the form of higher taxes.

From now on, if Congress passes a mandate, it shouldn't pass the buck. Congress must pay for the mandates it imposes, without heaping on new taxes.

Taken together, these and other steps I've outlined will reinvigorate our economy -- give it the boost it needs now, and ensure that it continues to provide opportunity and create jobs

8

for all who want to partake. That is the promise America makes to her citizens. They have a right to expect no less.

Almost two centuries ago, Philadelphia's merchants gathered together at the City Tavern to form this Chamber of Commerce. They looked out on a new nation almost limitless in possibility. A special kind of faith brought them here -- that if they worked hard, and worked together, their young country would allow them to fulfill their dreams. America has changed dramatically in those 200 years. Yet the essentials remain. The pessimists are wrong. We're going to pull out of these tough times. In America, success still greets those who work hard and work together. In the coming weeks, we have a chance to renew that faith, to reaffirm our country's rightful place as the world's leader, for this decade and for the next century.

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 1/29/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: PHILADELPHIA CHAMBER OF COMMERCE
THURSDAY, JAN. 30 - NOON

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 checked="" 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 checked="" type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>FINDLAY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

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

THE WHITE HOUSE
WASHINGTON

32 JAN 29 P5:36

January 29, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST
TONY SNOW

FROM: ANDY FERGUSON *af*

SUBJECT: PHILADELPHIA CHAMBER OF COMMERCE

On Thursday, January 30 at 12 noon, you will address the Greater Philadelphia Chamber of Commerce. Joe Paquette, Chairman of the Chamber of Commerce, will introduce you. Your remarks (14 minutes, teleprompter) focus on the capital gains tax cut, tort reform, and deregulation.

(Ferguson/Aarhus)
January 29, 1992
Draft 5
COMMERCE

PRESIDENTIAL REMARKS: GREATER PHILADELPHIA CHAMBER OF COMMERCE
WYNDHAM FRANKLIN PLAZA HOTEL
JANUARY 30, 1992
12:00 PM

[Thank you, Joe. Senator Specter; Mayor Rendell; Joe Paquette, Chairman of the Greater Philadelphia Chamber of Commerce; Charles Pizzi, President of the Chamber of Commerce]

Thank you all very much. ((I'm happy to be here in Philadelphia. As you can imagine, these last few weeks in Washington have been a pretty high-pressure time for me -- what with all the clammering of experts and the instant analysis and the columnists giving unsolicited advice. Thank goodness the Super Bowl is finally over.))

I'm particularly pleased to be here today, because American businesses -- as represented by this group gathered here -- have a unique perspective on the tough times we've been going through recently. As businessmen and -women, you can separate the sensational from the sensible, the sweet-sounding quick-fixes from real solutions. When it comes to America's economy, we can't accept empty symbols and slogans. We need to work together -- and turn this economy around.

Tuesday night, I came before the American people to outline my program for doing just that. This is an election year. The air back in Washington has been thick with feel-good gimmicks that have nothing to do with prosperity and everything to do with politics. Well, we need to get down to business -- literally. In

the critical weeks ahead, common sense must replace partisanship. And I need your help.

The plan I put before Congress and the American people contained several action steps, one of the most critical was this: to free up American businesses by clearing away the obstacles to growth -- high taxes, over-regulation, and government deficits. I've offered the only comprehensive plan that doesn't raise tax rates, doesn't throw away the spending discipline on Congress, and doesn't cut defense beyond what's necessary for this country's security. But let me tell you three words that separate my plan from the rest of the pack: It will work.

Each of us has a role to play, so I am moving forward with steps I can take right now. I have instructed every Cabinet department to speed up pro-growth expenditures -- as much as 10 billion dollars worth -- in the next six months. I directed the Secretary of the Treasury to change the federal tax tables so that millions of Americans can choose to have the government withhold less from their paychecks.

That puts money in the pockets of working men and women to help pay for clothing, or to help save for their kids' college educations, or to help buy a new car. After all, it's their money -- your money! Some in Washington seem to have forgotten that. Well, I haven't and I never will.

I have instructed Cabinet departments and federal agencies to institute a 90-day moratorium on new federal regulations that

could hinder growth. We will undertake a top-to-bottom review in the fields of energy, the environment, transportation, exports, financial services, and communications, among others. Here's the test: We will accelerate any regulations that encourage growth and the creation of jobs. And whenever possible we will scrap those that tie the hands of business and impede growth.

You know as well as anyone how government -- sometimes with the best intentions -- can hobble innovation and risk-taking, the life-blood of a successful business. Government naturally tends to expand ever outward, its red tape oblivious to anything standing in its path. It touches everyone. Every regulation that reduces efficiency slaps a hidden tax on the consumer as well. From the tab on a bag of groceries at the checkout line to the sticker price on the showroom floor -- every American takes a hit when the government over-regulates.

American businessmen and -women need the freedom to experiment, to compete, without looking over their shoulders for Washington's approval. Small businesses, and those just starting up, feel the sting of over-regulation most of all. Yet these businesses drive America forward. They create most of our new jobs. They reinvigorate our communities. They embody the power of the American dream. I make this pledge: we will set America's dreamers and doers free and put an end to regulatory overkill.

Even now, an untold number of hard-working, responsible men and women go without needed bank loans for starting up a new

business or for investing more in an existing one. We've got to ease the credit crunch and give these people a chance.

I have mentioned some of the things I can do. Tuesday night, I told Congress directly what it must do.

I started with the obvious: No investment, no new jobs. Congress must reward investment and stop punishing success. For three years now, I have asked Congress to lower the capital gains tax. For three years, that essential growth measure has been pilloried and parodied as a windfall for the rich. You and I know that claim for what it is: nonsense. Sixty percent of the people who benefit from lower capital gains have incomes under \$50,000.

A windfall for the rich? By freeing up investment, a cut in the capital gains tax creates new jobs for those looking for work and better jobs for those who want to move up. A lower capital gains tax helps anyone who owns a small business or a farm -- anyone who owns a home -- anyone who has a single investment. We're talking about helping every working man and woman and every retired person in this country.

We don't have time for demagoguery. To create jobs, to restore a vibrant economy for all Americans, Congress must lower the capital gains tax. It must lower the capital gains tax now.

With a few simple steps, taken right now, Congress can help get the housing industry -- builders, investors, buyers and sellers -- back on its feet. I have asked Congress to extend tax incentives for mortgage revenue bonds and low-income housing.

And to those young families who want to buy their first home but can't quite afford it, I say this: We can help put your dream within reach. And we will. I have offered a plan to allow first-time home buyers to withdraw savings from IRAs without penalty, and to provide a \$5,000 tax credit for the first purchase of a home.

I have asked Congress to mark the calendar: They must put my recovery plan in place by March 20. I set this deadline because of a simple fact: The American people want action. They deserve action. Our states are working overtime -- so are thousands of communities across this country. They're tightening their belts, aggressively facing the future. And every day, individual Americans are working hard to get this economy back on its feet.

Well, it's time for Congress to do the same. I ask every member of Congress -- and you can tell them the same thing -- to set aside partisanship for just 51 days and put my plan to work.

Immediate growth is just one part of the picture. We've got to look even further ahead -- to ensure that when the American economy regains its strength, it stays strong.

We start by opening markets to American goods. In our trade negotiations, we will continue to push for open trade, pulling down the barriers that stand in the way of international competition.

To guarantee that American goods and services are the world's finest, we must guarantee America's preeminence in education. My America 2000 strategy will create New American

Schools, places where our kids will learn the lessons they'll need for a new century. And it will allow parents to choose their children's schools. Choice means competition, and you understand as well as anyone what comes from competition. Competition inspires innovation and creativity. It inspires excellence.

We need a healthy America -- and that means reforming health care. We can't afford our present system. But we've reached a fork in the road. We can either go the way of greater government mandates, leading inevitably to a system of nationalized care, with the long lines and indifferent service such a system creates. Or we can reform our private system, preserving the greatest possible patient choice and maintaining the quality of care -- which, for all its faults, is still the best in the world. That's the approach I will take when I announce our reform plan in detail next [week].

We have proposed another reform, one that is crucial to creating jobs. America has become the most litigious society on earth. Frivolous lawsuits are exhausting our ability to compete. If we were as good at rewarding success as we are at suing each other, we'd be a century ahead of the rest of the world.

Lawsuit madness gums everything up. Needed new products never reach the marketplace because of concerns over liability. In many areas, businesses are forced either to drive prices into the stratosphere -- or close shop. My Competitiveness Council, chaired by Vice President Quayle, has offered 50 concrete

recommendations to restore sanity to our civil justice system. I've enacted some of these recommendations by Executive Order. Others require Congress to act. And with all the lawyers up there on Capitol Hill, that may take some doing. But we will do it.

And, finally, I can use Congress's help in one other area. We must get the federal budget deficit under control. Let's face the facts: The government in Washington is too big. It spends too much. I have proposed a freeze on all domestic discretionary budget authority as well as a freeze on federal domestic government employment. I have asked Congress to get rid of 246 federally-funded programs -- [Here's the list.] These are frills the taxpayer shouldn't have to support.

For too long, Congress has been violating the first principle of good government: Do no harm. It has been imposing its own spendthrift habits on state and local governments -- and the taxpayer, as always, foots the bill. These unfinanced federal government mandates, as they're called, require cities, counties and states to provide new services or institute new programs -- but Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress's wish list to the taxpayer in the form of higher taxes.

From now on, if Congress passes a mandate, it shouldn't pass the buck. Congress must pay for the mandates it imposes, without heaping on new taxes.

Taken together, these and other steps I've outlined will reinvigorate our economy -- give it the boost it needs now, and ensure that it continues to provide opportunity and create jobs for all who want to partake. That is the promise America makes to her citizens. They have a right to expect no less.

Almost two centuries ago, Philadelphia's merchants gathered together at the City Tavern to form this Chamber of Commerce. They looked out on a new nation almost limitless in possibility. A special kind of faith brought them here -- that if they worked hard, and worked together, their young country would allow them to fulfill their dreams. America has changed dramatically in those 200 years. Yet the essentials remain. The pessimists are wrong. We're going to pull out of these tough times. In America, success still greets those who work hard and work together. In the coming weeks, we have a chance to renew that faith, to reaffirm our country's rightful place as the world's leader, for this decade and for the next century.

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THE WHITE HOUSE

WASHINGTON

92 JAN 30 P12:31

January 29, 1992

MEMORANDUM FOR TONY SNOW

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks: Greater Philadelphia
Chamber of Commerce

We have reviewed the attached draft and have no suggested changes from a policy standpoint. We approve of the draft remarks in their current form.

cc: Phillip D. Brady

RAE

WHITE HOUSE STAFFING MEMORANDUM

DATE: 1/28/92 ACTION/CONCURRENCE/COMMENT DUE BY: WED. 1/29/92 1:00 p.m.

PRESIDENTIAL REMARKS: GREATER PHILADELPHIA CHAMBER OF COMMERCE
JANUARY 30, 1992 - 12:00 p.m.

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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FINDLAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" 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 1:00 p.m., WEDNESDAY, JAN. 30, with a copy to this office. Thank you.

RESPONSE:

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

(Ferguson/Aarhus)
January 28, 1992
Draft 3
COMMERCE

02 JAN 28 P5:04

PRESIDENTIAL REMARKS: GREATER PHILADELPHIA CHAMBER OF COMMERCE
WYNDHAM PLAZA HOTEL
JANUARY 30, 1992
12:00 PM

[Acknowledgments.]

Thank you all very much. ((I'm sorry I won't be able to stay for lunch, but I do appreciate your inviting me. Ever since I got back from Tokyo, I've noticed invitations to lunch and dinner have dropped off considerably.))

I'm particularly pleased to be here today, because American businesses -- as represented by this group gathered here -- have a unique perspective on the tough times we've been going through recently. As businessmen and -women, you can separate the sensational from the sensible, the sweet-sounding quick-fixes from real solutions. When it comes to America's economy, we can't accept empty symbols and slogans. We need to work together -- and turn this economy around.

Tuesday night, I came before the American people to outline my program for doing just that. This is an election year. Over the last few months the air back in Washington has been thick with feel-good gimmicks that have nothing to do with prosperity and everything to do with politics. Well, we need to get down to business -- literally. In the critical weeks ahead, common sense must replace partisanship. And I need your help.

The program I laid before Congress and the American people contained several components, but it has a single goal: to free

up American businesses by clearing away the obstacles to growth -
- high taxes, over-regulation, and government deficits.

Fortunately, as president, I can take some steps toward this goal on my own. I have instructed every cabinet department to speed up pro-growth expenditures -- as much as 10 billion dollars worth -- in the next six months. I directed the Secretary of the Treasury to change the federal tax tables so that millions of Americans can choose to have the government withhold less from their paychecks.

Most important, I have instructed cabinet departments and federal agencies to institute a 90-day moratorium on new federal regulations that could hinder growth. We will undertake a comprehensive review in the fields of energy, the environment, transportation, exports, financial services, and communications, among others. Here's the test: We will accelerate any regulations that encourage growth. We will scrap those that impede growth.

You know as well as anyone how government -- sometimes with the best intentions -- can hobble innovation and risk-taking, the life-blood of a successful business. Government bureaucracy naturally tends to expand ever outward, oblivious to anything standing in its path. It touches everyone. Every regulation that reduces efficiency slaps a hidden tax on the consumer. It raises the price of goods and services in the checkout line, at the teller's window and on the showroom floor.

American businessmen and -women need the freedom to experiment, to compete, without looking over their shoulders for

Washington's approval. Small businesses, and those just starting up, feel the sting of overregulation most of all. Yet these businesses drive America forward. They create most of our new jobs. They reinvigorate our communities. They embody the power of the American dream.

Even now, an untold number of hard-working, responsible men and women have been forced to go without needed bank loans. We've got to ease the credit crunch and give these people a chance. I make this pledge: we will put an end to regulatory overkill. We will set America's dreamers and doers free.

These are the things I can do. There are other steps that Congress and I must take together.

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(Ferguson/Aarhus)
January 28, 1992
Draft 3
COMMERCE

PRESIDENTIAL REMARKS: GREATER PHILADELPHIA CHAMBER OF COMMERCE
WYNDHAM PLAZA HOTEL
JANUARY 30, 1992
12:00 PM

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Thank you all very much. ((I'm sorry I won't be able to stay for lunch, but I do appreciate your inviting me. Ever since I got back from Tokyo, I've noticed invitations to lunch and dinner have dropped off considerably.))

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Tuesday night, I came before the American people to outline my program for doing just that. This is an election year. Over the last few months the air back in Washington has been thick with feel-good gimmicks that have nothing to do with prosperity and everything to do with politics. Well, we need to get down to business -- literally. In the critical weeks ahead, common sense must replace partisanship. And I need your help.

The program I laid before Congress and the American people contained several components, but it has a single goal: to free

up American businesses by clearing away the obstacles to growth -
- high taxes, over-regulation, and government deficits.

Fortunately, as president, I can take some steps toward this goal on my own. I have instructed every cabinet department to speed up pro-growth expenditures -- as much as 10 billion dollars worth -- in the next six months. I directed the Secretary of the Treasury to change the federal tax tables so that millions of Americans can choose to have the government withhold less from their paychecks.

Most important, I have instructed cabinet departments and federal agencies to institute a 90-day moratorium on new federal regulations that could hinder growth. We will undertake a comprehensive review in the fields of energy, the environment, transportation, exports, financial services, and communications, among others. Here's the test: We will accelerate any regulations that encourage growth. We will scrap those that impede growth.

You know as well as anyone how government -- sometimes with the best intentions -- can hobble innovation and risk-taking, the life-blood of a successful business. Government bureaucracy naturally tends to expand ever outward, oblivious to anything standing in its path. It touches everyone. Every regulation that reduces efficiency slaps a hidden tax on the consumer. It raises the price of goods and services in the checkout line, at the teller's window and on the showroom floor.

American businessmen and -women need the freedom to experiment, to compete, without looking over their shoulders for

Washington's approval. Small businesses, and those just starting up, feel the sting of overregulation most of all. Yet these businesses drive America forward. They create most of our new jobs. They reinvigorate our communities. They embody the power of the American dream.

Even now, an untold number of hard-working, responsible men and women have been forced to go without needed bank loans. We've got to ease the credit crunch and give these people a chance. I make this pledge: we will put an end to regulatory overkill. We will set America's dreamers and doers free.

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I have asked Congress to examine my recovery plan and to pass it, intact, by March []. I set this deadline not from petulance or impatience. I set this deadline because of a simple fact: The American people want action. They deserve action. Everyday, Americans are working and sacrificing to get this economy back on its feet. Congress should do the same. I ask every member of Congress -- and I ask you to make the same request -- to put aside partisanship for just xx days and put my plan to work.

But short-term growth is just one part of the picture. We've got to look even further ahead -- to ensure that when the American economy regains its strength, it stays strong.

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We have proposed another crucial reform, one that ~~is of~~ *really matters* particular concern to American business. America has become the most litigious society on earth. Frivolous lawsuits are exhausting our ability to compete. If we were as good at rewarding success as we are at suing each other, we'd be a century ahead of the rest of the world.

Lawsuit madness gums everything up. Needed new products never reach the marketplace because of concerns over liability. In many areas, service providers are forced either to drive prices into the stratosphere -- or close shop. Vice President Quayle's Competitiveness Council has offered 50 concrete recommendations to restore sanity to our civil justice system. I've enacted some of these recommendations by Executive Order. Others will require Congress's help.

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For too long, Congress has been violating the first principle of good government: Do no harm. It has been imposing its own spendthrift habits on state and local governments. These unfinanced government mandates, as they're called, require cities, counties and states to provide new services or institute new programs -- but Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress's wish list to the taxpayer in the form of higher taxes.

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THE WHITE HOUSE

WASHINGTON

02 JAN 29 P 3: 38

January 29, 1992

MEMORANDUM FOR TONY SNOW
DEPUTY ASSISTANT TO THE PRESIDENT
FOR COMMUNICATIONS AND DIRECTOR OF SPEECHWRITING

FROM: C. BOYDEN GRAY
COUNSEL TO THE PRESIDENT

GENE C. SCHAERR (CS)
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: Greater Philadelphia Chamber
of Commerce

Counsel's office has reviewed the matter, and has multiple changes, one of which (on page 2) is necessary for legal reasons. Thank you for the opportunity to comment on this matter.

cc: PHILLIP D. BRADY
Assistant to the President
and Staff Secretary

(Ferguson/Aarhus)
January 28, 1992
Draft 3
COMMERCE

2 JAN 28 P5:04

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And, to the extent permitted by law whenever possible

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And it sends investment - and jobs - offshore

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