**Originally Processed With FOIA(s):** S

**FOIA Number:** S

# FOIA MARKER

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

---

**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:** 13610
**Folder ID Number:** 13610-006

---

**Folder Title:**
American Society of Association Executives 3/11/92 [OA 6099] [1]

---

| Stack: | Row: | Section: | Shelf: | Position: |
|---|---|---|---|---|
| G | 26 | 17 | 7 | 4 |

**Q.** I'm wondering if you now think the answer is to stay here more and campaign out there less.

***The President.*** I've not seen a correlation, actually. But no, I don't feel that. But you know, I can understand the debate that has gone on: Should the President be out campaigning, or should he be here? And what I tried to do is achieve a reasonable balance. If you don't go to these States—you had an enormously important election day yesterday where we did very, very well, very well. And if I had not, if I'd have showed disdain by not even showing up in these States, I think that could have been counterproductive.

On the other hand, I recognize that I have responsibilities that no other candidate has for leading this country and for being the President. And there are plenty of problems to face here and plenty of initiatives to take that could keep you here the whole time. So, what we did is try to achieve a balance. I think we're going to go to Michigan for one day, part of a day. And we have a primary coming up there. But I think the way the vote is working out, the overwhelming endorsement in terms of these delegations and everything, I think that you'll be seeing me here a lot, but not to the exclusion of going out.

Another side about going out: You do get to talk to people. You do get to hear firsthand about the problems the country faces. So I think the answer is: Achieve a proper balance. I hope I'm doing that. And I'm going to keep on trying to do it because it is very important that when you're elected President, you be President. But I also determined that I'm the best one to lead the next 4 years, and so you've got to do some of the politics. And that's how we've reached the formula that we use.

I've got to go. Pat [Patrick McGrath, Fox Television]?

***RNC Chairman***

**Q.** Prime-time address after March 20th? You used to stand up for Al Haig when you were head of the Republican National Committee, you used to stand up to Al Haig and say you didn't work for the President and you didn't go along with a lot of what Richard Nixon wanted you to do. Rich Bond now is favoring your candidacy, calling Pat Buchanan, accusing him of race-baiting. Is that fair?

**Q.** Could you do this at the mike, sir?

**Q.** We can't hear you.

***The President.*** Well, good, because I'm not going to answer it. [*Laughter*] I think the President is seen to be the titular head of the party. It's always been that way. And just like I support incumbent Senators and Congressmen, I think it would be appropriate that the national committee support the President. And I supported—what?

**Q.** You stood up to Al Haig. Al Haig asked you to do things at the RNC that you didn't want to do.

***The President.*** That's quite different than endorsing the President. I worked very hard for President Nixon when he was President, as chairman of the national committee.

***Note:*** *The President's 123d news conference began at 10:34 a.m. in the Briefing Room at the White House. A tape was not available for verification of the content of this news conference.*

## Remarks to the American Society of Association Executives

*March 11, 1992*

Chairman Fondren, fellow Texan, thank you for that introduction. May I salute President Taylor and all the award winners here today. I heard a story about how when Lyndon Baines Johnson moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas State legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since. [*Laughter*] And this organization is very fortunate to have as its chairman a man of this strength and a man of this conviction.

Robert Frost once wrote that an idea is a feat of association. Well, association is an idea as old as the American dream itself. Actually, de Tocqueville 150 years ago, more than that, had much to say about you. He said, "At the head of some new undertaking in the United States you will be sure to find

an association." Well, since that time, associations have played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory.

Before I spoke, President Taylor handed out the Associations Advance America Awards to salute those who've found a way to help, to be, in fact, Points of Light. We hear too often about what's wrong in America. Well, this is what's right in America, and I salute you for what you are doing to help your communities. And again, I single out the awardees here who have starred in all of this.

Of course, it's an election year. Independent of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things, the core concerns of every American that transcend political party or philosophical ideology: jobs, family, peace. They hold us together as a society. They are more than issues we bring to the next election; they are the legacy we must give to the next generation.

And really, that's what I want to talk to you about today, not just the issues but our mood as a Nation and how we must act now if we're to change America for the better. Today, weighing most heavily in the hearts and on the minds of Americans is the state of our economy: jobs, preserving jobs, creating jobs. You in this room know best virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment but less national alarm. There's something different about today's times, something that touches a nerve. It strikes at the heart of what drives this country forward, our very confidence. It challenges our belief in ourselves.

Let me give it to you straight: Unemployment is, what, 7.3 percent, about 9 million people out of a total work force of 126 million. During the 1982 recession, 10 years ago, unemployment hit almost 11 percent, a level not experienced since the Great Depression. So we ask ourselves, why is confidence today lower than at the depth of the 1982 recession? I've heard a lot of theories. Some say those TV analysts are the problem, rejoicing in bad news. Others say, "Well, it's the politicians." I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless, and at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence and can wash away hope. So, it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's mood. People are feeling the way they do because America's got some real problems. They're serious, stubborn, national problems. But I think it would be unfair and certainly untrue to suggest to the American people that we can't overcome these problems, to imply that the United States of America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us, how we can build economic vitality into our communities, how we must ensure that our children see a future that is an improvement over the present.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So, when I talk about America's economic problems, this is what I mean: They are the worries of parents who have worked all their lives to get their kids through college, and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. Now, these are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat, both at home and abroad. They know American industry is being challenged to keep up or step aside. I'm going to talk further about that later in the week out in Detroit, Michigan. We live in a competitive world, and people worry about our ability to compete.

American homeowners—that's almost 70 million people—worry that the biggest asset

they will ever have, their home, will lose its worth because real estate values have declined. The same is true of any business, of association, or charitable organization that owns property; they're concerned, too.

Finally, as I discussed earlier this week with the League of Cities—and this one is fundamental—the deterioration of the American family is very, very serious, a root problem with tremendous ramifications for our economic well-being as a Nation.

These are the problems, but the picture is not all gloom and doom. America, we're now the only superpower in the world. Millions of immigrants still look to us as the land of opportunity because we are. We're the undisputed leader of the world that has a propensity for much more peace. And our economy is poised for recovery. Inflation is down; interest rates, low. Inventories are low; exports, at record highs. But this recovery will come sooner and stronger only if we in Government can come together and act now.

In January, as most of you know, I sent a message to the Congress, a plan of action. I felt it was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet, lead us into economic recovery this spring. I proposed a cut on the capital gains.

And then I offered a broader plan of action to keep us strong and economically vigorous in the years ahead. And that included, as some of you all may remember, education reform, we call it America 2000, to bring the skills of our future workers up to a standard of excellence. It included a clampdown on excessive regulations that hurt our competitiveness and reform of our legal system, so that Americans can spend more time innovating and less time litigating. And I proposed record Federal support, research and development support, to keep our Nation on the cutting edge of new technologies, new incentives for business investment. I proposed a forward-looking trade policy that demands foreign markets open up to high-quality American goods and services. And I reiterated our determination to hold the line on Government spending and oppose new taxes.

Well, big issues, big challenges. This is the plan I proposed, and I set a deadline for the Congress to act. And while the Congress didn't have a comprehensive plan of its own, it didn't like the notion of a deadline. Instead, with great and earnest deliberation, the Congress fixated on how much more to tax the American people. And they would hike taxes by $100 billion. And that plan, in my view, destroys jobs, whereas the plan, the incentives I've outlined here create jobs. The last thing that this economy needs now is a massive tax increase. Any economist worth his salt will tell you that. But this is not new. Congress refuses routinely to take action to stimulate the economy, but insists on these job-destroying tax increases.

Everyone knows that Government is too big and spends too much. Everyone knows that. And there's something else everyone knows, too: Too often Congress spends the money of its customer, the taxpayer, the wrong way, inefficiently, ineffectively, without accountability, and frankly, without compassion. So again, I would like to call on the Congress to pass my plan by March 20 for the good of this economy and the good of the American people. Now, I realize this all may sound like simply an election year blast at the Congress controlled by the opposition party. But it is not. We really need a new way of looking at things.

And I have made proposals to bring back responsibility and accountability to a system answerable to no one but itself. They are based on some fundamental principles: Rely on what works. And when possible, decentralize. Institute choice to force competition into the system. Give people more power to make the big decisions in their lives. Make the system accountable. And understand the new realities of America's global position, that we must become more competitive. We are not going to retreat into the failed policies of uninvolvement, disengagement, isolation, protectionism. We cannot do that. That would shrink markets and throw people out of work in this country. Staying involved, then, is the fundamental answer on international trade. These are the important ways to reform and change our country.

Chairman Fondren once said that "Leadership requires forthrightness. Hidden agen-

das rarely, if ever, lead to progress and very often succeed in spoiling the brew." Well, I've never been very good at hiding an agenda, and I'm not about to try to start that now.

The agenda has really been to create jobs, protect the family, and promote world peace. Too many times I run up against a stone wall, a partisan guard more determined to take sides than to move the country forward. So, March 20th will be an important date. And if the Congress enacts my action plan on the economy by then, the real beneficiaries will be the American people. If the Congress cannot act, or if it sends to me a bill that it knows today that I cannot and will not sign, I will take this case to the American people and say: The problem is the Congress. Send a new Congress to Washington next November. But before that, I want to see us move something forward. I want to see us get something done.

And it's tough in an election year. I know that; I'm involved right up to my neck, just from coming from eight of these darn things yesterday. So, I'm not being unrealistic, but I think we still have time to set aside the politics and try to pass something that most economists agree—I think all economists agree—would stimulate this economy and get this country back to work again. In the meantime, I will act on my own in the interests of the American people.

I drew a line in the sand, Gene referred to it, a little over a year ago in the Gulf. When you look back, that wasn't an easy decision. But we kept our word, and we liberated a tiny country. And in the process, we sent the world, the whole world, a message. And the message was: Aggression will not stand. And that message is clearly understood. And because that message is so clearly understood, we have a newfound credibility all around, all around the world. Travel abroad, and find out that we are the United States, second to none.

And so now, in a figurative stance, I've drawn a line in the sand once again, right here in our own backyard. And I will keep my word again, and if we all do our part, we can ensure that our economy and our country get back on the right track.

In the meantime, keep up the wonderful work that these associations do. Government can do a lot. I know I've got to do it better. I know that Congress has to do its work better. But it can never replace that thing that de Tocqueville found so amazing about this country, association, the propensity of one American to help another.

And when I talk about Points of Light, sometimes my critics say, "Well, he's simply forgoing his responsibility. He's simply trying to lay off on the back of private citizens the responsibility of a Government." That's the farthest thing from my mind when I commend you and thank you for being Points of Light. Government can help. Government must help. Government must reach out a hand to those that are hurting. But it is the Points of Lights, it is the private sector, it is the associations that are going to make a difference in the lives of the men and women and, especially, the children of this country.

So, may God bless you for your work. And thank you for letting me come back.

***Note:*** *The President spoke at 1:10 p.m. at the Washington Convention Center. In his remarks, he referred to Gene Fondren, chairman, and R. William Taylor, president of the American Society of Association Executives. A tape was not available for verification of the content of these remarks.*

## Remarks at the Richard Nixon Library Dinner

*March 11, 1992*

Mr. President, thank you, sir, for that wonderfully warm introduction. I, like I think everybody across our country, was once again so impressed when we saw what you did today in outlining foreign policy objectives of this country. And it's a wonderful privilege for me to be introduced by you.

If you will excuse me a little reminiscence, why, in '64, I ran with a spectacular lack of success for the United States Senate. In 1966, I started off to run for the Congress in Houston, Harris County. And it was then Richard Nixon, former Vice President, President-to-be, who came down there to kickoff my little campaign. And I thought I was right on top of the world. And what he did in en-

Document No. 313743ss

# WHITE HOUSE STAFFING MEMORANDUM

92 MAR 10 P3:29

DATE: 3/10/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: AMERICAN SOCIETY OF ASSOC. EXECUTIVES WEDNESDAY, MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☑ |
| SCOWCROFT | ☐ | ☑ | MOORE | ☐ | ☑ |
| DARMAN | ☐ | ☑ | PETERSMEYER | ☐ | ☑ |
| BRADY | ☐ | ☑ | PORTER | ☐ | ☑ |
| BROMLEY | ☐ | ☐ | ROGICH | ☐ | ☑ |
| CALIO | ☐ | ☑ | ROLLINS | ☐ | ☑ |
| DEMAREST | ☐ | ☑ | SMITH | ☐ | ☑ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY | ☐ | ☑ | BOSKIN | ☐ | ☑ |
| HOLIDAY | ☐ | ☑ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

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

92 MAR 10 P1:53

March 10, 1992

MEMORANDUM FOR THE PRESIDENT

FROM: DAVE DEMAREST

SUBJECT: SPEECH TO AMERICAN SOCIETY OF ASSOCIATION EXECUTIVES

Tomorrow, at 1:45 p.m., you will deliver remarks (22 minutes/teleprompted) to 2,200 of the American Society of Association Executives at the Washington Convention Center. You will be introduced by Chairman Gene Fondren.

Your remarks praise the represented associations for their positive role in society -- specifically their contributions as volunteers. You touch on Americans lower levels of confidence in their future, then delve into possible explanations -- the economy, the media, the politics of partisanship. You focus on the bloat and breakdown of the federal government as largely responsible for a loss in confidence. You highlight reform initiatives promoted by this administration, and urge all to get involved in reinventing government.

(Demarest)
March 8, 1992
Draft Two
ASAE

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:45 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. Actually, Toqueville over 150 years ago had much to say about you. He said, "at the head of some new undertaking ... in the United States you will be sure to find an association." Since that time associations have played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory.

Before I spoke, President Taylor presented the Associations Advance America Awards to salute those who've found a way to help, to be in fact, points of light. We hear a too often about what's wrong in America. Well, this is what's right in America, and I salute you for what you are doing to help your communities.

Of course, it's an election year. Independent of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs, family, peace. They hold us together as a society. They are more than issues we bring to the next election -- they are the legacy we must give to the next generation.

That is what I want to talk to you about today -- not just the issues, but our mood as a nation, and how our government must reform if we are to change America.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. You in this very room know best virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. It challenges our belief in ourselves.

I'll give it to you straight: Unemployment is 7.3% -- about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression. So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say it's the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's mood. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present -- most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. We live in a competitive world, and people worry about our ability to compete.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values have declined. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation.

But the picture is not all gloom and doom. America is now the only superpower in the world. Millions of immigrants still look to us as the land of opportunity -- because we are. And our

economy is poised for recovery. Inflation is down. Interest rates low. Inventories low. Exports at record highs. But this recovery will come sooner, and stronger only if we in government act now. As self-evident as this mandate for action may seem, we have not been able to muster the necessary political unity of purpose.

In January, I sent to the Congress a plan of action -- a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery this spring. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, economists agree such a measure would create jobs.

Then I offered a broader plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to improve access to the best quality care in the world. 4) Welfare reform to break the sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality

American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. They would hike taxes by 100 billion dollars.

Imagine: giving the Congress more taxpayer money to spend. Why add to the billions already spent on big government programs -- does anyone believe that more spending money for the Congress is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars spent now?

The last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. But this is not new. Congress routinely refuses to take action to stimulate the economy -- but insists on job destroying tax increases. I believe Congress is incapable of passing my economic action plan -- or a plan of their own. They are incapable of meeting my March 20 deadline -- or any other deadline, for that matter. Let me tell you why.

Everyone knows that government is too big and spends too much. Everyone knows that. And there's something else everyone

knows: too often the government spends the money of its customer, the American taxpayer, the wrong way -- inefficiently, ineffectively, without accountability, and frankly, without compassion.

When Americans think about their government what often comes to mind is the latest scandal involving their money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. Dick Cheney launched the Ill Wind investigation at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues, like the latest scandal with the House bank, just reinforce the notion that the government is more the problem than the solution.

This is all part of why confidence in America's future is under siege. Many people have already lost confidence in government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to help and their skepticism that government actually will use their hard earned tax dollars and get results. My apologies to David Osborne for borrowing his phrase, but it is truly time to reinvent government.

This is no slight to the four million hard-working people who work for the federal government. But the fact is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a

business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government forgets the customer, it issues counter-productive regulations. It shelters perpetual programs that have outlived their function but not their funding. But this kind of government doesn't just happen. It is the Congress that creates these bureaucracies, lays down the mandates, funds the programs. Then, it is the Congress that protects them, harasses them, investigates them, micro-manages them. With a Congressional subcommittee Chairman as godparent, they become stepchildren of the Congress.

This is not to criticize all people serving in Congress. I served there and I know many fine people on both sides of the aisle serve there now -- decent, hard-working, patriotic Americans. The problem isn't the people, it's the system. And the system must change.

The people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 committees, 35,000 staff members, over 2 billion dollars of taxpayer money, and a web of special interest influence and money. This is not a system that can promote reform and change. Rather, it promotes the status quo. Over the years, this has piled up to create a Congress that is out of touch. Gridlocked. Paralyzed. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that actually does something to make people safer in their communities. They may pass "National Asparagus Month", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted, newsletters written, taxpayer money spent. Nearly one third of all the legislation that reaches my desk is like this. Much of what's left simply keeps the basic machine of government running. The focus is clearly not on addressing new challenges.

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. We need a new way of looking at things. The gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. They are based on some fundamental principles. Rely on what works. When possible, decentralize. Institute choice to force competition into the system. Give people more power to make the big decision in their lives. Make the system

accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive. These are important ways to reform and change America.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special interest groups. I have talked about term limits for members of Congress. When the system is broken you have to fix it.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an important date. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new

Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and we liberated Kuwait. I have drawn a line in the sand once again -- here in our own backyard. I will keep my word again and if we all do our part we can ensure that our economy, and our government gets back on the right track.

Thank you. And God bless you for all the good work you do.

# # #

Document No. 313743ss

# WHITE HOUSE STAFFING MEMORANDUM

92 MAR 10 A.. :36

**DATE:** 3/9/92 **ACTION/CONCURRENCE/COMMENT DUE BY:** TUES. 3/10/92 11:00am

**SUBJECT:** PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES WED., MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☐ |
| SCOWCROFT | ☑ | ☐ | MOORE | ☐ | ☑ |
| DARMAN | ☑ | ☐ | PETERSMEYER | ☐ | ☐ |
| BRADY | ☐ | ☑ | PORTER | ☑ | ☐ |
| BROMLEY | ☐ | ☐ | ROGICH | ☑ | ☐ |
| CALIO | ☑ | ☐ | ROLLINS | ☑ | ☐ |
| DEMAREST | ☑ | ☐ | SMITH | ☑ | ☐ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY | ☑ | ☐ | BOSKIN | ☑ | ☐ |
| HOLIDAY | ☑ | ☐ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

**REMARKS:**

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 11:00 a.m., TUESDAY, MARCH 10, with a copy to this office. Thank you.

**RESPONSE:**

Please see comments Thank you

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

(Demarest)
March 8, 1992
Draft One
ASAE

92 MAR 9 P6:40

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:15 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. [acknowledgements] I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. [[ Maybe older. I heard that Art Buchwald once said that "the first reported case of an association making a blunder occurred in the Bible, when an association executive overbooked the inn at a carpenter's convention in Bethlehem. The rest is history."]]

Actually, deToqueville 150 years ago had much to say about the value of associations. [ ] Associations have long played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory. In fact, the ASAE has answered my call to ~~become a point of light~~ to mobilize its members for voluntary service — to become Points of Light.

Note: This is an important distinction Thanks

Before I spoke, President Taylor presented the Association's Advance America Awards to salute those who've found a way to help. We hear a too often about what's wrong about America. Well, this is what's right in America, and I salute you and your members for what you are doing to help your communities.

Of course, it's an election year. Regardless of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs -- family -- peace. These are more than the issues we bring to the next election -- they are the legacy we must give to the next generation.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. In this very room are representatives of virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. Our belief in ourselves. Our hopes for our future.

I'll give it to you straight: Unemployment is roughly seven-plus per cent - about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression.

So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say its the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's lack of confidence. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present --and most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. But whether it's Detroit or Denver, when workers see the company downsizing, they wonder who will be the first to go. And in these tough economic times one out of every [XX] Americans knows someone who's been out of a job at some time in the last year. No wonder people are worried.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values are sliding. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation.

But the picture is not all gloom and doom. Interest rates are at historic lows. Inventories are down. The trade deficit has plummeted and our exports are at record highs. I do believe that we are poised for recovery -- a recovery that will come sooner, and be stronger if we in government act now. As self-evident as the mandate for action may seem, we have not been able to muster the necessary political unity of purpose.

In January, I sent to the Congress a plan of action. It was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, most economists agree such a measure would create jobs and stimulate greater economic activity.

Then I offered a broader plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to provide universal

access to the best quality care in the world. 4) Welfare reform to break this sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. The cost of their proposed tax hikes range from sixty to one hundred billion dollars.

Imagine: giving the Congress more taxpayer money to spend. From Lawrence Welk Museums and studies on the Hatfield-McCoy feud to the billions wasted on big government programs that were proved ineffective years ago -- does anyone believe that more money for the Congress to spend is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars that the Congress spends now?

My point is not to say one more time that the last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. No, today I want to make a

different point. One that goes to the heart of why the Congress refuses to take action to stimulate the economy -- but insists on job-destroying tax increases. My point goes to the heart of why the Congress is incapable of passing my comprehensive economic growth plan -- or a plan of their own -- by my March 20 deadline -- or any other deadline, for that matter.

I have said on many occasions that government is too big and spends too much. Everyone knows that. And underlying that point is something else everyone agrees on: too often the government spends the money of its customer -- the American taxpayer -- inefficiently, ineffectively, without compassion, and without accountability.

When Americans think about their government what often comes to mind is the latest scandal involving their money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. And Dick Cheney has taken an investigation called Ill Wind at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues just reinforce the notion that the government just can't work any better.

This is all part of why people lack confidence in America's future. They have already lost confidence in its government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to

I would move the President's recommendation for reform on page 10 + top of 11 to here. It will add lift here and break-up the long list of problems.

help and their confidence in government actually using their hard earned tax dollars to get results. My apologies for coining a phrase now in popular jargon, but <u>it is truly time to reinvent government.</u>

I do not mean to slight in any way the three million hard-working people who work for the federal government. But the fact of the matter is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government has forgotten the customer, it issues counter-productive regulations. There are perpetual programs that have outlived their function but not their funding. And they are run within rigid, stultifying bureaucracies.

But this kind of government doesn't just happen. It is the Congress that lays down the mandates, funds the programs, creates these bureaucracies. And then it is the Congress that protects them, harasses them, investigates them, micro-manages them. They become stepchildren of the Congress, with a Congressional subcommittee Chairman in the role of godparent.

This is not to criticize the people serving today in Congress. I served in the Congress in twenty-five years ago with some of the finest individuals I ever known -- some are still there now -- Sonny Montgomery, Bob Michel, John Paul

Hammerschmidt among others. And the newer members today -- many fine people on both sides of the aisle -- decent, hard-working, patriotic. The problem isn't the people, it's the system. And the system must change.

The good people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 subcommittees, 35,000 staff members, 2 billion dollars of taxpayer money, a web of special interest influence and money -- with members re-election a virtual certainty. This is not a system that can promote reform and change. Rather, over the years, all this has piled up to create a Congress that is gridlocked. Paralyzed. Out of touch. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that will actually do something to make people safer in their communities. There's nothing wrong with "National Asparagus Week", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted,

newsletters written, taxpayer money spent. Fully one third of all the legislation that reaches my desk is stuff like this. Another _____ is legislation just to keep the government in business. The focus is clearly not on addressing the new challenges, is it?

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. The problem is not necessarily divided government. Ike had to deal with a Democratic Congress in the fifties. But when the big issues came to a head -- President Eisenhower and the Congress were able to meet those challenges as Americans first, partisans second.

See page 8

We need a new way of looking at things. That gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. These proposals are based on some fundamental principles. Rely on what works. Whenever possible, decentralize. Institute choice to force competition into the system. Make the system accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special

interest groups. I have talked about term limits for members of Congress.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an historic watershed in American politics. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and tiny Kuwait is free. I have drawn a line in the sand once again -- here in our own

backyard. I will keep my word again and free this economy on behalf of the American people.

Thank you. And God bless you for all the good work you do.

# # #

Document No. 313743ss

# WHITE HOUSE STAFFING MEMORANDUM

92 MAR 10 A11:55

**DATE:** 3/9/92 **ACTION/CONCURRENCE/COMMENT DUE BY:** TUES. 3/10/92 11:00am

**SUBJECT:** PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES WED., MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☐ |
| SCOWCROFT | ☑ | ☐ | MOORE | ☐ | ☑ |
| DARMAN | ☑ | ☐ | PETERSMEYER | ☑ | ☐ |
| BRADY | ☐ | ☑ | PORTER | ☑ | ☐ |
| BROMLEY | ☐ | ☐ | ROGICH | ☑ | ☐ |
| CALIO | ☑ | ☐ | ROLLINS | ☑ | ☐ |
| DEMAREST | ☑ | ☐ | SMITH | ☑ | ☐ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY | ☑ | ☐ | BOSKIN | ☑ | ☐ |
| HOLIDAY | ☑ | ☐ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

**REMARKS:**

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 11:00 a.m., TUESDAY, MARCH 10, with a copy to this office. Thank you.

**RESPONSE:**

See comments. Thanks.
PF
Paul Korkonta
03/10

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

(Demarest)
March 8, 1992
Draft One
ASAE

92 MAR 9 P6:40

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:15 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. [acknowledgements] I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. [[ Maybe older. I heard that Art Buchwald once said that "the first reported case of an association making a blunder occurred in the Bible, when an association executive overbooked the inn at a carpenter's convention in Bethlehem. The rest is history."]]

Actually, deToqueville 150 years ago had much to say about the value of associations. [ ] Associations have long played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory. In fact, the ASAE has answered my call to become a point of light.

Before I spoke, President Taylor presented the Association's Advance America Awards to salute those who've found a way to help. We hear too often about what's wrong in America. Well, this is what's right in America, and I salute you and your members for what you are doing to help your communities.

Of course, it's an election year. Regardless of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs -- family -- peace. These are more than the issues we bring to the next election -- they are the legacy we must give to the next generation.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. In this very room are representatives of virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. Our belief in ourselves. Our hopes for our future.

I'll give it to you straight: Unemployment is roughly seven-plus per cent - about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression.

So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say its the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's lack of confidence. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present --and most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. But whether it's Detroit or Denver, when workers see the company downsizing, they wonder who will be the first to go. And in these tough economic times one out of every [XX] Americans knows someone who's been out of a job at some time in the last year. No wonder people are worried.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values are sliding. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

(Treas.) General Comment: Payrolls did increase, although unemployment is up



Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation.

(OCA) General Comment:

But the picture is not all gloom and doom. Interest rates are at historic lows. Inventories are ~~down~~ lean. The trade deficit has plummeted and our exports are at record highs. I do believe that we are poised for recovery -- a recovery that will come sooner, and be stronger if we in government act now. As self-evident as the mandate for action may seem, ~~we have not been able to muster the necessary political unity of purpose~~ Congress has not risen to my call, and the call of the American people.

(164,000 new American jobs were created in Feb.)

(Treas.)

(OCA)

The March Blue Chip consensus calls for real GDP growth to pick up substantially from the first to second quarters and take another jump in the second half of the year.

In January, I sent to the Congress a two-fold plan of action. It was a straightforward set of initiatives based upon tried and true economic realities. First were a set of actions to be taken immediately (OCA) I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, most economists agree such a measure would create jobs and stimulate greater economic activity.

Then I offered a broader long-term plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to provide universal

access to the best quality care in the world. 4) Welfare reform to break this sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. The cost of their proposed tax hikes range from sixty to one hundred billion dollars.

Imagine: giving the Congress <u>more</u> taxpayer money to spend. From Lawrence Welk Museums and studies on the Hatfield-McCoy feud to the billions wasted on big government programs that were proved ineffective years ago -- does anyone believe that more money for the Congress to spend is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars that the Congress spends now?

My point is not to say one more time that the last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. No, today I want to make a

different point. One that goes to the heart of why the Congress refuses to take action to stimulate the economy -- but insists on job destroying tax increases. My point goes to the heart of why the Congress is incapable of passing my comprehensive economic growth plan -- or a plan of their own -- by my March 20 deadline -- or any other deadline, for that matter.

I have said on many occasions that government is too big and spends too much. Everyone knows that. And underlying that point is something else everyone agrees on: too often the government spends the money of its customer -- the American taxpayer -- inefficiently, ineffectively, without compassion, and without accountability.

When Americans think about their government what often comes to mind is the latest scandal involving <u>their</u> money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. And Dick Cheney has taken the Ill Wind investigation at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues just reinforce the notion that the government just can't work any better.

This is all part of why people lack confidence in America's future. They have already lost confidence in its government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to

help and their confidence in government actually using their hard earned tax dollars to get results. My apologies for coining a phrase now in popular jargon, but it is truly time to reinvent government. (Treas.)

I do not mean to slight ~~in any way~~ the three million hard-working people who work for the federal government. But the fact of the matter is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government has forgotten the customer, it issues counter-productive regulations. There are perpetual programs that have outlived their function but not their funding. And they are run within rigid, stultifying bureaucracies.

But this kind of government doesn't just happen. It is the Congress that lays down the mandates, funds the programs, creates these bureaucracies. And then it is the Congress that protects them, harasses them, investigates them, micro-manages them. They become stepchildren of the Congress, with a Congressional subcommittee Chairman in the role of godparent. (Treas.)

This is not to criticize all the people serving today in Congress. I served in the Congress in twenty-five years ago with some of the finest individuals I've ever known -- some are still there now -- Sonny Montgomery, Bob Michel, John Paul

Hammerschmidt among others. And the newer members today -- many fine people on both sides of the aisle -- decent, hard-working, patriotic. The problem isn't the people, it's the system. And the system must change.

The good people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 subcommittees, 35,000 staff members, 2 billion dollars of taxpayer money, a web of special interest influence and money -- with members re-election a virtual certainty. This is not a system that can promote reform and change. Rather, over the years, all this has piled up to create a Congress that is gridlocked. Paralyzed. Out of touch. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that will actually do something to make people safer in their communities. There's nothing wrong with "National Asparagus Week", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted,

newsletters written, taxpayer money spent. Fully one third of all the legislation that reaches my desk is stuff like this. Another _____ is legislation just to keep the government in business. The focus is clearly not on addressing the new challenges, is it?

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. The problem is not necessarily divided government. Ike had to deal with a Democratic Congress in the fifties. But when the big issues came to a head -- President Eisenhower and the Congress were able to meet those challenges as Americans first, partisans second.

We need a new way of looking at things. That gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. These proposals are based on some fundamental principles. Rely on what works. Whenever possible, decentralize. Institute choice to force competition into the system. Make the system accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special

interest groups. I have talked about term limits for members of Congress.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an historic watershed in American politics. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and tiny Kuwait is free. I have drawn a line in the sand once again -- here in our own

backyard. I will keep my word again and free this economy on behalf of the American people.

Thank you. And God bless you for all the good work you do.

# # #

THE WHITE HOUSE

WASHINGTON

**EXECUTIVE OFFICE OF THE PRESIDENT**

10-Mar-1992 11:29am

**TO:** David F. Demarest, Jr.
**TO:** Daniel B. McGroarty

**FROM:** Mary A. McClure Mary
Intergovernmental Affairs

**CC:** Sherrie Rollins
**CC:** Debra Rae Anderson

**SUBJECT:** ASAE SPEECH

The ASAE has been giving invaluable help in promoting the Model State Volunteer Service Act--the President's proposal to provide protection from liability for volunteers. The talents of one employee--John Creedon--have been devoted almost exclusively to the project in the last months. In addition, ASAE members in the field have been contacting legislators, providing information, tracking bills, and making a highly successful lobbying effort on behalf of the model act.

The President should at a minimum acknowledge ASAE's assistance and express his thanks for the invaluable help its members are providing.

I would suggest language similar to the following on page 2 after the first paragraph:

"I am particularly grateful for the help you have given in encouraging states to pass the Model State Volunteer Service Act. This legislation would provide volunteers with protection against unfair lawsuit, allowing citizens to continue to give of themselves to help others without the fear of being sued.

"Your members have themselves shown the volunteer spirit by spreading the good word about this legislation and helping move it along throughout the country. For that, I thank you."

92 MAR 10 P12:37

Document No. 313743ss

92 MAR 10 PM 1

# WHITE HOUSE STAFFING MEMORANDUM

**DATE:** 3/9/92 **ACTION/CONCURRENCE/COMMENT DUE BY:** TUES. 3/10/92 11:00am

**SUBJECT:** PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES WED., MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☐ |
| SCOWCROFT | ☑ | ☐ | MOORE | ☐ | ☑ |
| DARMAN | ☑ | ☐ | PETERSMEYER | ☑ | ☐ |
| BRADY | ☐ | ☑ | PORTER | ☑ | ☐ |
| BROMLEY | ☐ | ☐ | ROGICH | ☑ | ☐ |
| CALIO | ☑ | ☐ | ROLLINS | ☑ | ☐ |
| DEMAREST | ☑ | ☐ | SMITH | ☑ | ☐ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY | ☑ | ☐ | BOSKIN | ☑ | ☐ |
| HOLIDAY | ☑ | ☐ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

**REMARKS:**

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 11:00 a.m., TUESDAY, MARCH 10, with a copy to this office. Thank you.

**RESPONSE:**

TWO SPEECHES HERE - ONE ON ECONOMIC GLOOM AND ONE ON CONGRESSIONAL RESPONSIBILITY - THE ACTIVE TONE OF THE PRESIDENT TAKING ON CONGRESS SHOULD SET THE STAGE FOR THE NEXT TEN DAYS I QUESTION THE "MALAISE" TONE OF THE ECONOMIC PARTS ?

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

(Demarest)
March 8, 1992
Draft One
ASAE

92 MAR 9 P6:40

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:15 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. [acknowledgements] I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. [[ Maybe older. I heard that Art Buchwald once said that "the first reported case of an association making a blunder occurred in the Bible, when an association executive overbooked the inn at a carpenter's convention in Bethlehem. The rest is history."]]

Actually, deToqueville 150 years ago had much to say about the value of associations. [ ] Associations have long played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory. In fact, the ASAE has answered my call to become a point of light.

Before I spoke, President Taylor presented the Association's Advance America Awards to salute those who've found a way to help. We hear a too often about what's wrong about America. Well, this is what's right in America, and I salute you and your members for what you are doing to help your communities.

Of course, it's an election year. Regardless of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs -- family -- peace. These are more than the issues we bring to the next election -- they are the legacy we must give to the next generation.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. In this very room are representatives of virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. Our belief in ourselves. Our hopes for our future.

I'll give it to you straight: Unemployment is roughly seven-plus per cent - about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression.

So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say its the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's lack of confidence. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present --and most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. But whether it's Detroit or Denver, when workers see the company downsizing, they wonder who will be the first to go. And in these tough economic times one out of every [XX] Americans knows someone who's been out of a job at some time in the last year. No wonder people are worried.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values are sliding. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation.

But the picture is not all gloom and doom. Interest rates are at historic lows. Inventories are down. The trade deficit has plummeted and our exports are at record highs. I do believe that we are poised for recovery -- a recovery that will come sooner, and be stronger if we in government act now. As self-evident as the mandate for action may seem, we have not been able to muster the necessary political unity of purpose.

In January, I sent to the Congress a plan of action. It was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, most economists agree such a measure would create jobs and stimulate greater economic activity.

Then I offered a broader plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to provide universal

access to the best quality care in the world. 4) Welfare reform to break this sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. The cost of their proposed tax hikes range from sixty to one hundred billion dollars.

Imagine: giving the Congress <u>more</u> taxpayer money to spend. From Lawrence Welk Museums and studies on the Hatfield-McCoy feud to the billions wasted on big government programs that were proved ineffective years ago -- does anyone believe that more money for the Congress to spend is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars that the Congress spends now?

My point is not to say one more time that the last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. No, today I want to make a

different point. One that goes to the heart of why the Congress refuses to take action to stimulate the economy -- but insists on job destroying tax increases. My point goes to the heart of why the Congress is incapable of passing my comprehensive economic growth plan -- or a plan of their own -- by my March 20 deadline -- or any other deadline, for that matter.

I have said on many occasions that government is too big and spends too much. Everyone knows that. And underlying that point is something else everyone agrees on: too often the government spends the money of its customer -- the American taxpayer -- inefficiently, ineffectively, without compassion, and without accountability.

When Americans think about their government what often comes to mind is the latest scandal involving <u>their</u> money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. And Dick Cheney has taken the Ill Wind investigation at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues just reinforce the notion that the government just can't work any better.

This is all part of why people lack confidence in America's future. They have already lost confidence in its government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to

help and their confidence in government actually using their hard earned tax dollars to get results. My apologies for coining a phrase now in popular jargon, but it is truly time to reinvent government.

I do not mean to slight in any way the three million hard-working people who work for the federal government. But the fact of the matter is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government has forgotten the customer, it issues counter-productive regulations. There are perpetual programs that have outlived their function but not their funding. And they are run within rigid, stultifying bureaucracies.

But this kind of government doesn't just happen. It is the Congress that lays down the mandates, funds the programs, creates these bureaucracies. And then it is the Congress that protects them, harasses them, investigates them, micro-manages them. They become stepchildren of the Congress, with a Congressional subcommittee Chairman in the role of godparent.

This is not to criticize the people serving today in Congress. I served in the Congress in twenty-five years ago with some of the finest individuals I ever known -- some are still there now -- Sonny Montgomery, Bob Michel, John Paul

Hammerschmidt among others. And the newer members today -- many fine people on both sides of the aisle -- decent, hard-working, patriotic. The problem isn't the people, it's the system. And the system must change. How do you change the system w/o changing the people.

The good people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 subcommittees, 35,000 staff members, 2 billion dollars of taxpayer money, a web of special interest influence and money -- with members re-election a virtual certainty. This is not a system that can promote reform and change. Rather, over the years, all this has piled up to create a Congress that is gridlocked. Paralyzed. Out of touch. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that will actually do something to make people safer in their communities. There's nothing wrong with "National Asparagus Week", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted,

newsletters written, taxpayer money spent. Fully one third of all the legislation that reaches my desk is stuff like this. Another _____ is legislation just to keep the government in business. The focus is clearly not on addressing the new challenges, is it?

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. The problem is not necessarily divided government. Ike had to deal with a Democratic Congress in the fifties. But when the big issues came to a head -- President Eisenhower and the Congress were able to meet those challenges as Americans first, partisans second.

We need a new way of looking at things. That gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. These proposals are based on some fundamental principles. Rely on what works. Whenever possible, decentralize. Institute choice to force competition into the system. Make the system accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special

interest groups. I have talked about term limits for members of Congress.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an historic watershed in American politics. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and tiny Kuwait is free. I have drawn a line in the sand once again -- here in our own

backyard. I will keep my word again and free this economy on behalf of the American people.

Thank you. And God bless you for all the good work you do.

# # #

Document No. 313743ss

1803

# WHITE HOUSE STAFFING MEMORANDUM

**DATE:** 3/9/92 **ACTION/CONCURRENCE/COMMENT DUE BY:** TUES. 3/10/92 11:00am

**SUBJECT:** PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES WED., MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☐ |
| SCOWCROFT | ☑ | ☐ | MOORE | ☐ | ☑ |
| DARMAN | ☑ | ☐ | PETERSMEYER | ☑ | ☐ |
| BRADY | ☐ | ☑ | PORTER | ☑ | ☐ |
| BROMLEY | ☐ | ☐ | ROGICH | ☑ | ☐ |
| CALIO | ☑ | ☐ | ROLLINS | ☑ | ☐ |
| DEMAREST | ☑ | ☐ | SMITH | ☑ | ☐ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY | ☑ | ☐ | BOSKIN | ☑ | ☐ |
| HOLIDAY | ☑ | ☐ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

**REMARKS:**

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 11:00 a.m., TUESDAY, MARCH 10, with a copy to this office. Thank you.

**RESPONSE:**

TO: DAN MCGROARTY March 10, 1992

The NSC staff has no objection to the draft Presidential remarks, subject to the changes indicated in the text.

① Mike & messages
② If Cong needs reform or executive why not lay out a Six Point Program To advocate

for Brent Scowcroft

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

cc: Phillip S. Brady

(Demarest)
March 8, 1992
Draft One
ASAE

92 MAR 9 P6:40

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:15 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. [acknowledgements] I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. [[ Maybe older. I heard that Art Buchwald once said that "the first reported case of an association making a blunder occurred in the Bible, when an association executive overbooked the inn at a carpenter's convention in Bethlehem. The rest is history."]]

NO "de" in this context.

Actually, ~~de~~ Toqueville 150 years ago had much to say about the value of associations. [ ] Associations have long played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory. In fact, the ASAE has answered my call to become a point of light.

Before I spoke, President Taylor presented the Association's Advance America Awards to salute those who've found a way to help. We hear a lot too often about what's wrong about America. Well, this is what's right in America, and I salute you and your members for what you are doing to help your communities.

Of course, it's an election year. Regardless of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs -- family -- peace. These are more than the issues we bring to the next election -- they are the legacy we must give to the next generation.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. In this very room are representatives of virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. Our belief in ourselves. Our hopes for our future.

I'll give it to you straight: Unemployment is roughly seven-plus per cent - about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression.

So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say it's the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's mood lack of confidence. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present --and most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. But whether it's Detroit or Denver, when workers see the company downsizing, they wonder who will be the first to go. And in these tough economic times one out of every [XX] Americans knows someone who's been out of a job at some time in the last year. No wonder people are worried.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values are sliding. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation.

But the picture is not all gloom and doom. Interest rates are at historic lows. Inventories are down. The trade deficit has plummeted and our exports are at record highs. I do believe that we are poised for recovery -- a recovery that will come sooner, and be stronger if we in government act now. As self-evident as the mandate for action may seem, we have not been able to muster the necessary political unity of purpose.

In January, I sent to the Congress a plan of action. It was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, most economists agree such a measure would create jobs and stimulate greater economic activity.

Then I offered a broader plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to provide universal

access to the best quality care in the world. 4) Welfare reform to break this sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. The cost of their proposed tax hikes range from sixty to one hundred billion dollars.

Imagine: giving the Congress <u>more</u> taxpayer money to spend. From Lawrence Welk Museums and studies on the Hatfield-McCoy feud to the billions wasted on big government programs that were proved ineffective years ago -- does anyone believe that more money for the Congress to spend is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars that the Congress spends now?

My point is not to say one more time that the last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. No, today I want to make a

different point. One that goes to the heart of why the Congress refuses to take action to stimulate the economy -- but insists on job destroying tax increases. My point goes to the heart of why the Congress is incapable of passing my comprehensive economic growth plan -- or a plan of their own -- by my March 20 deadline -- or any other deadline, for that matter.

I have said on many occasions that government is too big and spends too much. Everyone knows that. And underlying that point is something else everyone agrees on: too often the government spends the money of its customer -- the American taxpayer -- inefficiently, ineffectively, without compassion, and without accountability.

When Americans think about their government what often comes to mind is the latest scandal involving <u>their</u> money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. And Dick Cheney has taken the Ill Wind investigation at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues just reinforce the notion that the government just can't work any better.

This is all part of why people lack confidence in America's future. They have already lost confidence in its government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to

help and their confidence in government actually using their hard earned tax dollars to get results. My apologies for coining a phrase now in popular jargon, but it is truly time to reinvent government.

I do not mean to slight in any way the three million hard-working people who work for the federal government. But the fact of the matter is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government has forgotten the customer, it issues counter-productive regulations. There are perpetual programs that have outlived their function but not their funding. And they are run within rigid, stultifying bureaucracies.

But this kind of government doesn't just happen. It is the Congress that lays down the mandates, funds the programs, creates these bureaucracies. And then it is the Congress that protects them, harasses them, investigates them, micro-manages them. They become stepchildren of the Congress, with a Congressional subcommittee Chairman in the role of godparent.

This is not to criticize the people serving today in Congress. I served in the Congress in twenty-five years ago with some of the finest individuals I ever known -- some are still there now -- Sonny Montgomery, Bob Michel, John Paul

Hammerschmidt among others. And the newer members today -- many fine people on both sides of the aisle -- decent, hard-working, patriotic. The problem isn't the people, it's the system. And the system must change.

The good people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 subcommittees, 35,000 staff members, 2 billion dollars of taxpayer money, a web of special interest influence and money -- with members re-election a virtual certainty. This is not a system that can promote reform and change. Rather, over the years, all this has piled up to create a Congress that is gridlocked. Paralyzed. Out of touch. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that will actually do something to make people safer in their communities. There's nothing wrong with "National Asparagus Week", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted,

newsletters written, taxpayer money spent. Fully one third of all the legislation that reaches my desk is [stuff] like this. Another _____ is legislation just to keep the government in business. The focus is clearly not on addressing the new challenges, is it?

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. The problem is not necessarily divided government. Ike had to deal with a Democratic Congress in the fifties. But when the big issues came to a head -- President Eisenhower and the Congress were able to meet those challenges as Americans first, partisans second.

We need a new way of looking at things. That gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. These proposals are based on some fundamental principles. Rely on what works. Whenever possible, decentralize. Institute choice to force competition into the system. Make the system accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special

interest groups. I have talked about term limits for members of Congress.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an historic watershed in American politics. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and tiny Kuwait is free. I have drawn a line in the sand once again -- here in our own

backyard. I will keep my word again and free this economy on behalf of the American people.

Thank you. And God bless you for all the good work you do.

# # #

Document No. 313743ss

# WHITE HOUSE STAFFING MEMORANDUM

92 MAR 10 P2:40

**DATE:** 3/9/92 **ACTION/CONCURRENCE/COMMENT DUE BY:** TUES. 3/10/92 11:00am

**SUBJECT:** PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES WED., MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☐ |
| SCOWCROFT | ☑ | ☐ | MOORE | ☐ | ☑ |
| DARMAN | ☑ | ☐ | PETERSMEYER | ☑ | ☐ |
| BRADY | ☐ | ☑ | PORTER | ☑ | ☐ |
| BROMLEY | ☐ | ☐ | ROGICH | ☑ | ☐ |
| CALIO | ☑ | ☐ | ROLLINS | ☑ | ☐ |
| DEMAREST | ☑ | ☐ | SMITH | ☑ | ☐ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY | ☑ | ☐ | BOSKIN | ☑ | ☐ |
| HOLIDAY | ☑ | ☐ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

**REMARKS:**

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 11:00 a.m., TUESDAY, MARCH 10, with a copy to this office. Thank you.

**RESPONSE:**

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

Sheryl -
See Jeff's comments.
I noted them on each
page. JB

92 MAR 9 P6:40

(Demarest)
March 8, 1992
Draft One
ASAE

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:15 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. [acknowledgements] I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. [[ Maybe older. I heard that Art Buchwald once said that "the first reported case of an association making a blunder occurred in the Bible, when an association executive overbooked the inn at a carpenter's convention in Bethlehem. The rest is history."]]

Actually, deToqueville 150 years ago had much to say about the value of associations. [ ] Associations have long played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory. In fact, the ASAE has answered my call to become a point of light.

Before I spoke, President Taylor presented the Association's Advance America Awards to salute those who've found a way to help. We hear ~~a~~ too often about what's wrong about America. Well, this is what's right in America, and I salute you and your members for what you are doing to help your communities.

Of course, it's an election year. Regardless of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs -- family -- peace. These are more than the issues we bring to the next election -- they are the legacy we must give to the next generation.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. In this very room are representatives of virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. Our belief in ourselves. Our hopes for our future.

I'll give it to you straight: Unemployment is roughly seven-plus per cent - about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression.

(use exact figure)

So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say its the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's lack of confidence. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present --and most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

use a different example -- in order to get away from high interest credit cards

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. But whether it's Detroit or Denver, when workers see the company downsizing, they wonder who will be the first to go. And in these tough economic times one out of every [XX] Americans knows someone who's been out of a job at some time in the last year. No wonder people are worried.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values are sliding. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation. strange transition

But the picture is not all gloom and doom. Interest rates are at historic lows. Inventories are down. The trade deficit has plummeted and our exports are at record highs. I do believe that we are poised for recovery -- a recovery that will come sooner, and be stronger if we in government act now. As self-evident as the mandate for action may seem, we have not been able to muster the necessary political unity of purpose.

In January, I sent to the Congress a plan of action. It was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, most economists agree such a measure would create jobs and stimulate greater economic activity.

Then I offered a broader plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to provide universal

access to the best quality care in the world. 4) Welfare reform to break this sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

$500 is not really tangible support to strengthen family

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. The cost of their proposed tax hikes range from sixty to one hundred billion dollars.

Imagine: giving the Congress <u>more</u> taxpayer money to spend. From Lawrence Welk Museums and studies on the Hatfield-McCoy feud to the billions wasted on big government programs that were proved ineffective years ago -- does anyone believe that more money for the Congress to spend is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars that the Congress spends now?

My point is not to say one more time that the last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. No, today I want to make a

different point. One that goes to the heart of why the Congress refuses to take action to stimulate the economy -- but insists on job destroying tax increases. My point goes to the heart of why the Congress is incapable of passing my comprehensive economic growth plan -- or a plan of their own -- by my March 20 deadline -- or any other deadline, for that matter.

I have said on many occasions that government is too big and spends too much. Everyone knows that. And underlying that point is something else everyone agrees on: too often the government spends the money of its customer -- the American taxpayer -- inefficiently, ineffectively, without compassion, and without accountability.

When Americans think about their government what often comes to mind is the latest scandal involving <u>their</u> money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. And Dick Cheney has taken the Ill Wind investigation at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues just reinforce the notion that the government just can't work any better.

This is all part of why people lack confidence in America's future. They have already lost confidence in its government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to

help and their confidence in government actually using their hard earned tax dollars to get results. My apologies for coining a phrase now in popular jargon, but it is truly time to reinvent government.

I do not mean to slight in any way the three million hard-working people who work for the federal government. But the fact of the matter is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government has forgotten the customer, it issues counter-productive regulations. There are perpetual programs that have outlived their function but not their funding. And they are run within rigid, stultifying bureaucracies.

But this kind of government doesn't just happen. It is the Congress that lays down the mandates, funds the programs, creates these bureaucracies. And then it is the Congress that protects them, harasses them, investigates them, micro-manages them. They become stepchildren of the Congress, with a Congressional subcommittee Chairman in the role of godparent.

This is not to criticize the people serving today in Congress. I served in the Congress in twenty-five years ago with some of the finest individuals I ever known -- some are still there now -- Sonny Montgomery, Bob Michel, John Paul

Hammerschmidt among others. And the newer members today -- many fine people on both sides of the aisle -- decent, hard-working, patriotic. The problem isn't the people, it's the system. And the system must change.

The good people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 subcommittees, 35,000 staff members, 2 billion dollars of taxpayer money, a web of special interest influence and money -- with members re-election a virtual certainty. This is not a system that can promote reform and change. Rather, over the years, all this has piled up to create a Congress that is gridlocked. Paralyzed. Out of touch. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that will actually do something to make people safer in their communities. There's nothing wrong with "National Asparagus Week", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted,

newsletters written, taxpayer money spent. Fully one third of all the legislation that reaches my desk is stuff like this. Another _____ is legislation just to keep the government in business. The focus is clearly not on addressing the new challenges, is it?

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. The problem is not necessarily divided government. Ike had to deal with a Democratic Congress in the fifties. But when the big issues came to a head -- President Eisenhower and the Congress were able to meet those challenges as Americans first, partisans second.

We need a new way of looking at things. That gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. These proposals are based on some fundamental principles. Rely on what works. Whenever possible, decentralize. Institute choice to force competition into the system. Make the system accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special

interest groups. I have talked about term limits for members of Congress.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an historic watershed in American politics. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and tiny Kuwait is free. I have drawn a line in the sand once again -- here in our own

backyard. I will keep my word again and free this economy on behalf of the American people.

Thank you. And God bless you for all the good work you do.

# # #

Document No. 313743ss

# WHITE HOUSE STAFFING MEMORANDUM

**DATE:** 3/9/92 **ACTION/CONCURRENCE/COMMENT DUE BY:** TUES. 3/10/92 11:00am

**SUBJECT:** PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES WED., MARCH 11

| | ACTION | FYI | | ACTION | FYI |
|---|---|---|---|---|---|
| VICE PRESIDENT | ☐ | ☑ | HORNER | ☐ | ☑ |
| SKINNER | ☐ | ☑ | MCBRIDE | ☐ | ☐ |
| SCOWCROFT 6538 Rostow | ☑ | ☐ | MOORE | ☐ | ☑ |
| DARMAN | ☑ | ☐ | PETERSMEYER | ☑ | ☐ |
| BRADY | ☐ | ☑ | PORTER | ☑ | ☐ |
| BROMLEY | ☐ | ☐ | ROGICH N/C | ☑ | ☐ |
| CALIO | ☑ | ☐ | ROLLINS | ☑ | ☐ |
| DEMAREST | ☑ | ☐ | SMITH | ☑ | ☐ |
| FITZWATER | ☐ | ☑ | YEUTTER | ☐ | ☑ |
| GRAY Swanson 2312 | ☑ | ☐ | BOSKIN N/C | ☑ | ☐ |
| HOLIDAY | ☑ | ☐ | FINDLAY | ☐ | ☑ |
| | | | KAUFMAN | | ☑ |
| | | | MCGROARTY | | ☑ |

Will have comments

**REMARKS:**

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 11:00 a.m., TUESDAY, MARCH 10, with a copy to this office. Thank you.

**RESPONSE:**

Teeters comments on this copy.

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

(Demarest)
March 8, 1992
Draft One
ASAE

92 MAR 9 P6:40

PRESIDENTIAL REMARKS: ASSOCIATION EXECUTIVES
MARCH 11, 1992
WASHINGTON, D.C.
1:15 P.M.

Chairman Fondren, my fellow Texan, thank you for that introduction. President Taylor. [acknowledgements] I heard a story about how when LBJ moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas state legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since.

Robert Frost once wrote that "an idea is a feat of association." Well, association is an idea as old as the American Dream itself. [[ Maybe older. I heard that Art Buchwald once said that "the first reported case of an association making a blunder occurred in the Bible, when an association executive overbooked the inn at a carpenter's convention in Bethlehem. The rest is history."]]

Actually, deToqueville 150 years ago had much to say about the value of associations. [ ] Associations have long played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory. In fact, the ASAE has answered my call to become a point of light.

Before I spoke, President Taylor presented the Association's Advance America Awards to salute those who've found a way to help. We hear all too often (Teefer) about what's wrong about America. Well, this is what's right in America, and I salute you and your members for what you are doing to help your communities.

Of course, it's an election year. Regardless of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things -- the core concerns of every American -- jobs -- family -- peace. These are more than the issues we bring to the next election -- they are the legacy we must give to the next generation.

Today, weighing most heavily in the hearts and on the minds of Americans is the state of the economy -- jobs -- preserving jobs, creating jobs. In this very room are representatives of virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment -- but less national alarm. There's something different about today's times -- something that touches a nerve. It strikes at the heart of what drives this country forward -- our confidence. Our belief in ourselves. Our hopes for our future.

I'll give it to you straight: Unemployment is roughly seven-plus per cent - about 9 million people out of a total workforce of 126 million. During the 1982 recession, unemployment hit almost 11% -- a level not experienced since the Great Depression.

So we ask ourselves -- why is confidence today lower than at the depth of the 1982 recession?

I've heard a lot of theories. Some say the talking heads of the media are the problem -- always running the country down. [You've heard the saying "no news is good news?" Well, the joke is that for the media, "Good news is no news."]

Others say its the politicians. I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless -- at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence, and wash away hope. So it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's lack of confidence. People are feeling the way they do because America's got some real problems -- serious, stubborn, national problems.

But I think it would be unfair and untrue to suggest to the American people that we can't overcome these problems -- to imply that America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us -- how we can build economic vitality into our communities -- how we must ensure that our children see a future that is an improvement over the present --and most importantly, why we must change the way we do business in Washington D.C.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So when I talk about America's economic problems this is what I mean:

They are the worries of parents who have worked all their lives to get the kids through college -- and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards, month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. These are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat -- both at home and abroad. They know American industry is being challenged to keep up or step aside -- I'll talk further about that later in the week in Detroit, Michigan. But whether it's Detroit or Denver, when workers see the company downsizing, they wonder who will be the first to go. And in these tough economic times one out of every [XX] Americans knows someone who's been out of a job at some time in the last year. No wonder people are worried.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have -- their home -- will lose its worth because real estate values are sliding. The same is true of any business, association, or charitable organization that owns property -- they're concerned too.

Finally, as I discussed earlier this week with the League of Cities, the deterioration of the American family is very serious -- a root problem with tremendous ramifications for our economic well-being as a nation.

But the picture is not all gloom and doom. Interest rates are at historic lows. Inventories are down. The trade deficit has plummeted and our exports are at record highs. I do believe that we are poised for recovery -- a recovery that will come sooner, and be stronger if we in government act now. As self-evident as the mandate for action may seem, we have not been able to muster the necessary political unity of purpose.

In January, I sent to the Congress a plan of action. It was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet -- lead us into economic recovery. I proposed a tax cut on capital gains. Once you get through all the tax-break-for-the-rich demagoguery, most economists agree such a measure would create jobs and stimulate greater economic activity.

Then I offered a broader plan of action to keep us competitive and economically vigorous in the years ahead:

1) Education reform to bring the skills of our future workers up to a standard of excellence. 2) Reform of our legal system so that Americans can spend more time innovating and less time litigating. 3) Health care reform to provide universal

access to the best quality care in the world. 4) Welfare reform to break this sorry cycle of dependency that's become a way of life in many of our cities. 5) Tangible support to strengthen the family -- a $500 increase in the tax deduction for children. 6) A trade policy that demands foreign markets open up to high-quality American goods and services. 7) Record federal support in research and development to keep our nation on the cutting edge of new technologies.

Big issues. Big challenges. This is the plan I proposed -- and I set a deadline for the Congress to act. The Congress didn't like the notion of a deadline. And while the Congress didn't have a comprehensive plan of its own, it is doubtful that it will enact the plan I proposed. Instead, with great and earnest deliberation, the Congress is fixated with how much more to tax the American people. The cost of their proposed tax hikes range from sixty to one hundred billion dollars.

Imagine: giving the Congress <u>more</u> taxpayer money to spend. From Lawrence Welk Museums and studies on the Hatfield-McCoy feud to the billions wasted on big government programs that were proved ineffective years ago -- does anyone believe that more money for the Congress to spend is the answer? Does anyone believe that this money will be more wisely spent than the trillion and a half dollars that the Congress spends now?

My point is not to say one more time that the last thing this economy needs now is a tax increase. Any economist worth his salt will tell you that. No, today I want to make a

different point. One that goes to the heart of why the Congress refuses to take action to stimulate the economy -- but insists on job destroying tax increases. My point goes to the heart of why the Congress is incapable of passing my comprehensive economic growth plan -- or a plan of their own -- by my March 20 deadline -- or any other deadline, for that matter.

I have said on many occasions that government is too big and spends too much. Everyone knows that. And underlying that point is something else everyone agrees on: too often the government spends the money of its customer -- the American taxpayer -- inefficiently, ineffectively, without compassion, and without accountability.

When Americans think about their government what often comes to mind is the latest scandal involving <u>their</u> money. Today, we are cleaning up the Savings and Loan scandal. Jack Kemp deserves a lot of credit for straightening out the abuses in our public housing system. And Dick Cheney has taken the Ill Wind investigation at the Defense Department and made the necessary reforms in defense procurement. But to the taxpayer, these issues just reinforce the notion that the government just can't work any better.

This is all part of why people lack confidence in America's future. They have already lost confidence in its government. There is irony here. Americans are a compassionate people -- willing to foot the bill to help make this country better. But there is an extraordinary mismatch between their willingness to

help and their confidence in government actually using their hard earned tax dollars to get results. My apologies for coining a phrase now in popular jargon, but it is truly time to reinvent government.

I do not mean to slight in any way the three million hard-working people who work for the federal government. But the fact of the matter is that they work in a system that was good for its time, but now must change and change radically. I know that government can't run like a business -- but we can improve its performance. Right now, within the halls of these giant centralized bureaucracies, it is almost impossible to reward success, much less punish failure.

Because government has forgotten the customer, it issues counter-productive regulations. There are perpetual programs that have outlived their function but not their funding. And they are run within rigid, stultifying bureaucracies.

But this kind of government doesn't just happen. It is the Congress that lays down the mandates, funds the programs, creates these bureaucracies. And then it is the Congress that protects them, harasses them, investigates them, micro-manages them. They become stepchildren of the Congress, with a Congressional subcommittee Chairman in the role of godparent.

This is not to criticize the people serving today in Congress. I served in the Congress in twenty-five years ago with some of the finest individuals (leaders) I have ever known -- some are still there now -- Sonny Montgomery, Bob Michel, John Paul

Hammerschmidt among others. And the newer members today -- many fine people on both sides of the aisle -- decent, hard-working, patriotic. The problem isn't the people, it's the system. And the system must change.

The good people on Capitol Hill are victims of an unaccountable, inefficient, and ineffective system of their own making as well: 284 subcommittees, 35,000 staff members, 2 billion dollars of taxpayer money, a web of special interest influence and money -- with members re-election a virtual certainty. This is not a system that can promote reform and change. Rather, over the years, all this has piled up to create a Congress that is gridlocked. Paralyzed. Out of touch. A Congress totally and utterly incapable of addressing the central issues of our time.

How many people in this room -- people who work with the Congress every day -- haven't had a private conversation with a Senator or Congressman and heard exactly the same thing?

There's nothing wrong with the Congress passing a proclamation heralding "Crime Victims Week", but that's no substitute for a comprehensive crime bill that will actually do something to make people safer in their communities. There's nothing wrong with "National Asparagus Week", but the problem in American agriculture is our national vitality not our national vegetable. (Haven't seen "National Broccoli Week" -- could have some trouble signing that one). For every one of these bills there is staff assigned, paper processed, constituents contacted,

newsletters written, taxpayer money spent. Fully one third of all the legislation that reaches my desk is stuff like this. Another _____ is legislation just to keep the government in business. The focus is clearly not on addressing the new challenges, is it?

This all may sound like simply an election year blast at a Congress controlled by the other party. But it's not. The problem is not necessarily divided government. Ike had to deal with a Democratic Congress in the fifties. But when the big issues came to a head -- President Eisenhower and the Congress were able to meet those challenges as Americans first, partisans second.

We need a new way of looking at things. That gap between private sector efficiency and government's ineptness has become a chasm. I have made proposals to reform government -- proposals to bring back responsibility and accountability to a system answerable to no one but itself. These proposals are based on some fundamental principles. Rely on what works. Whenever possible, decentralize. Institute choice to force competition into the system. Make the system accountable. Understand the new realities of America's global position -- that we must do what makes us more competitive.

I have also called for the Congress to stop exempting itself from the laws it imposes on everyone else. I have called for Campaign Finance Reform to break the influence of special

interest groups. I have talked about term limits for members of Congress.

Chairman Fondren once said that "Leadership...requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." I've never been very good at hiding my agenda, and I'm not about to start trying now.

For four years, my agenda has been to create jobs, protect the family, and promote world peace. Too many times I ran up against a wall -- a partisan guard more determined to takes sides than to take this country forward. March 20 will be an historic watershed in American politics. If the Congress enacts my action plan on the economy by then, the real beneficiaries will not be me, or my re-election, nor the Congress. The real beneficiaries will be the American people who will regain the confidence that they have lost in the ability of Washington to act in their best interest.

If the Congress cannot act, or if it sends to me a bill it knows today I cannot and will not sign, I will take this message to the American people: the problem is Congress. Send a new Congress to Washington next November. In the meantime I will act on my own in the interests of the American people.

I drew a line in the sand a little over a year ago in the Persian Gulf. I kept my word then and tiny Kuwait is free. I have drawn a line in the sand once again -- here in our own

backyard. I will keep my word again and free this economy on behalf of the American people.

Thank you. And God bless you for all the good work you do.

# # #