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# FOIA MARKER

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

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**Record Group/Collection:** George H.W. Bush Presidential Records  
**Collection/Office of Origin:** Speechwriting, White House Office of  
**Series:** Speech File Draft Files  
**Subseries:** Chron File, 1989-1993

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**OA/ID Number:** 13611  
**Folder ID Number:** 13611-004

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**Folder Title:**  
Economic Club of Detroit 3/13/92 [OA 6099] [1]

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Stack:	Row:	Section:	Shelf:	Position:
<b>G</b>	<b>26</b>	<b>17</b>	<b>7</b>	<b>5</b>

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# WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/11/92 ACTION/CONCURRENCE/COMMENT DUE BY: TODAY, 3/11/92 6:00pm

PRESIDENTIAL REMARKS: DETROIT ECONOMIC CLUB  
March 13, 1992

SUBJECT: \_\_\_\_\_

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT <i>Jim Deal N/C</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MOORE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>bootleg N/C</i> DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER <i>X</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CALIO <i>see Petersmeyer p.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROLLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	YEUTTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY <i>Relo Sub by phone 2 to Dan</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FINDLAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	BOSKIN <i>M/C by phone to Dan</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			KAUFMAN		<input checked="" type="checkbox"/>
			MCGROARTY		<input checked="" type="checkbox"/>

REMARKS:

Please forward your comments directly to Dan McGroarty, Rm. 122, x2930, no later than 6:00 p.m., TODAY, MARCH 11, with a copy to this office. Thank you.

RESPONSE:

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

McGroarty/Bunton  
March 11, 1992  
10:30 am  
[DET.3]

02 MAR 11 P 1:07

PRESIDENTIAL REMARKS: DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
xx:00 A.M.??

[Introductory acknowledgements.]

My thanks for that warm Michigan welcome. I want to talk to you today about the most important issue facing Michigan and this country. It's my number one priority: the state of our domestic economy -- especially, the manufacturing sector.

Manufacturing has been the greatest generator of good jobs in American history. Take a look at the auto industry. I'm speaking not simply about the jobs created in the industry itself -- but the thousands upon thousands of jobs in supplier and spin-off businesses.

We've seen the beginning of the globalization of the service sector -- and each day brings new frontiers in the information economy. But manufacturing is and always will be the basic strength of this country's economy. No nation will ever lead the world without a strong manufacturing base.

Michigan and our country have been through some tough times. It's time for straight talk. / Before I focus on some of the specific problems we see facing the manufacturing sector, let me mention some of the things in our economy we can't afford to overlook. Interest rates are lower now than at any point in the past twenty years. Inflation -- the stealth tax that hits every American in the pocketbook -- inflation is under control. For

all our troubles, America is still the world's dominant economy: the one market other countries want to crack -- the economy producing goods in demand in every country, every corner of the world. // Right now, we're in the middle of a record export boom -- one that's narrowed the trade deficit from 119 billion to 66 billion dollars in the past four years alone. Not only are we number one in the world today -- but we've been gaining ground, not losing it, to our competitors. [STATS/EXAMPLES.] These are fundamentals we can build on -- the raw material to manufacture the solid, strong recovery we know we'll see.

There's no sense pretending things are better than they are -- but there's also no sense underestimating our strengths or exaggerating our weaknesses. The simple fact is, we face a future with both challenges and opportunities. In the past three years, we've helped bring about change that has reshaped our world for the better.

I don't think there's anyone in this room who doesn't believe that the key to America's economic future is our ability to lead -- to succeed in the world economically, as we have politically. That's what my economic plan is all about.

Back in January, I sent Congress a specific short-term action plan to stimulate our economy -- to spark a recovery as early as this spring. When I sent that plan to Capitol Hill -- I set a deadline. One short week from now: March 20. You know the story. Congress barely gave my plan a glance before they got busy on their own agenda: a \$90 billion dollar tax increase that

will cripple this economy. You can count on this: I will veto any tax increase the Democrats send my way -- the minute it hits my desk.

At the same time, I sent Congress a broader, long-term plan to help make America more competitive. That plan includes record federal support for R&D to keep our nation on the cutting edge of new technologies; new incentives for business investment -- and a clear signal to a tax-hungry Congress that we will hold the line on government spending -- and draw the line against new taxes.

Here's what I mean by making America more competitive: We must provide our children with a 21st Century education -- today. That's the idea at the heart of our America 2000 strategy: our plan to revolutionize -- to literally re-invent -- America's schools.

We've got to move forward on civil justice reform. Too many businesses can't start up or keep going because too many lawyers and too much red tape get in the way. Frivolous lawsuits sap our economy and strain our patience. It's time for reform -- time to replace the explosion of mindless litigation with a little common sense. //

And we've got to work to open markets around the world to American goods. // Earlier this year, I took some of the people here today with me to Japan. We all took a little flack in the press for that trip -- but the fact is, that trip was a successful mission, the beginning of a new push to open markets that for too long have been closed to quality American goods.

We've already seen results: new markets for American computers, glass and timber [-- and yes, for auto parts.] That trip marked the beginning of an important process -- a process that is key to this country's economic future and one I will do all I can as President to advance. It signalled to our trade partners that America is serious about free and fair trade. Level the playing field, and American workers and American business can compete with anyone. //

But our companies can't compete if the government chokes them in red tape. We've put a stop order on all new regulation. I've ordered a 90-day review of all new regulation with this aim in mind: whatever contributes to economic growth goes forward. Whatever stifles growth gets scrapped. // Today I am happy to announce [SECTION DETAILING RELATED REGULATORY RELIEF].

So far today, I've talked about my plan -- my plan to get this economy growing again and to get this country ready for the challenges of a new century. But I want to make sure that when you walk out of this room today -- you know exactly where I stand regarding the future of this country's manufacturing base.

Let me tell you what I can do -- and I'll give it to you straight:

I will not allow the federal government to contribute to any deterioration in America's manufacturing base.

I will stop counter-productive regulations that cripple your freedom of action and cost this country jobs. And I will veto any CAFE legislation that costs a single American job. //

*Must  
questions*

I will veto mandates that pass the buck to business and hurt competitiveness.

I will veto job-destroying tax increases.

I will fight for job-creating incentives.

Let me tell you what I'll fight for:

I will fight to open markets around the world to American products -- and I will fight against the forces of protectionism abroad -- and here at home.

I will champion education reform -- to train the kind of skilled workforce you'll need to compete in the 21st Century.

That's what I will do. You have my word on it. And now, here's what you in the business community must do. Some of the things I'm going to say may strike a nerve. But it's got to be said.

You've got to invest in your future: See past the next quarter's balance sheet -- look to the long-term.

You've got to train your workers -- give them the skills they'll need to cope with a changing workplace -- take a stake in our schools and help teach the children who'll shape our future.

You've got to continue to build on recent progress that has labor and management working as allies -- not adversaries. No company can compete when it's at war with itself.

You've got to fight for foreign markets -- make the commitment for the long-haul. Don't expect government to ride in to the rescue: Because there's one thing I won't do: and that's give one industry a leg up on all the others. Government can't

second-guess the marketplace by picking winners and losers.

All this week I've been speaking about responsibilities -- about the responsibilities of each individual American citizen, about the government's responsibilities to the people. So let me add a word today about responsibility in corporate America -- about a practice that's managed to raise the blood-pressure of every working American, and fuel a cynicism about business this country just cannot afford. I think you know what I'm talking about. How many millions of people here in Michigan and across the country must have asked themselves how a company can lose money, lay off workers -- while its executives pull down these 7- and 8-figure pay packages? //

If responsibility has any meaning in the business world, it starts by linking pay to performance. Performance measured means performance improved: People back at work. Assembly lines up and running. Putting out a superior product -- and bringing in a profit: do that, and any executive can lay claim to a legitimate bonus.

The last thing I want to see is the government setting salaries. But when it comes to executive pay, there's nothing wrong with a little shareholder democracy. That's why I've asked the SEC to expand shareholders' access to information -- to give them a stronger voice in corporate councils. //

Let me say in closing: I recognize that it's an election year. When the rhetoric heats up, it gets a little tough separating fact from fiction.

Hart  
questions

But I sincerely believe: If we want to succeed economically at home -- we've got to compete economically abroad. I bring the same approach to the economic challenge we face today that I've brought to every challenge we've met -- and mastered. I want people to say: If you've got a fight you must win, if you've got a hell of a problem -- George Bush is the right man to tackle it. George Bush will get the job done. //

Thank you -- and may God bless the United States of America.

# # #

92 MAR 12 12:05

WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/12/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: ECONOMIC CLUB OF DETROIT  
FRIDAY, MARCH 13 - 12:45 p.m.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CALIO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROLLINS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SMITH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	YEUTTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	FINDLAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BOSKIN			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

March 12, 1992

02 MAR 12 A 9:28

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST *DD*

FROM: DAN MC GROARTY *DMG*

SUBJECT: PROPOSED REMARKS FOR ECONOMIC CLUB OF DETROIT

I. SUMMARY

On Friday, March 13 at 12:45 p.m. you will deliver remarks to an audience of 1,600 at the Economic Club of Detroit at the Grand Manor of the Fairlane Club in Dearborn, Michigan.

II. DISCUSSION

Your remarks (approximately 14 minutes / teleprompter) focus on the economy, the role of manufacturing and the problems it faces. Your remarks highlight your short and long-term growth plans, and mention recent results of your Asia trip: new markets for American computer, glass, paper, auto and auto parts industries.

McGroarty/Bunton  
March 12, 1992  
8:45 am  
[DET.4]

PRESIDENTIAL REMARKS: DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
12:45 A.M.

[Introductory acknowledgements.] My thanks for that warm Michigan welcome.

Four short days from now, Michigan faces a choice. You will make a decision that will shape the way this country copes with the big issues: the issues that shape the world -- and the values close to home: I'm talking about jobs, about family -- about peace: for ourselves -- for our kids.

Right now, the most important issue facing Michigan and this country is the economy. It's my number one priority: jobs -- especially, in the manufacturing sector.

Manufacturing has been the greatest generator of good jobs in American history. Take a look at the auto industry. I'm speaking not simply about the jobs created in the industry itself -- but the thousands upon thousands of jobs in supplier and spin-off businesses. Manufacturing is and always will be the basic strength of this country's economy. No nation will ever lead the world without a strong manufacturing base.

Before I focus on some of the specific problems we see facing the manufacturing sector, let me mention some of the things in our economy we can't afford to overlook. Interest rates are lower now than at any point in the past ten years. Inflation is under control. For all our troubles, America is

still the world's dominant economy: the one market other countries want to crack -- the economy producing goods in demand in every country, every corner of the world. //

Right now, we're in the middle of a record export boom -- one that's narrowed the trade deficit from 119 billion to 66 billion dollars in the past three years alone. Not only do we export more than any other country in the world today -- but we've been gaining ground, not losing it, to our competitors. [STATS/EXAMPLES.] These are fundamentals we can build on -- the raw material to manufacture the solid, strong recovery we know we'll see.

Michigan and our country have been through some tough times. There's no sense pretending things are better than they are. But there's also no sense underestimating our strengths or exaggerating our weaknesses. The simple fact is, we face a future with both challenges and opportunities. In the past three years, we've helped bring about change that has reshaped our world for the better.

I don't think there's anyone in this room who doesn't believe that the key to America's economic future is our ability to lead -- to succeed in the world economically, as we have politically. That's what my economic plan is all about.

Back in January, I sent Congress a specific short-term action plan to stimulate our economy -- to spark a recovery as early as this spring: a recovery that would increase auto sales and create jobs. When I sent that plan to Capitol Hill -- I set

a deadline. One short week from now: March 20. You know the story. Congress barely gave my plan a glance before they got busy on their own agenda: a \$90 billion dollar tax increase that will cripple this economy -- and cost us jobs. You can count on this: I will veto any tax increase the Democrats send my way -- the minute it hits my desk.

In addition to my action plan, I sent Congress a broader, long-term plan to help make America more competitive. That plan includes seven things we've got to accomplish to ensure a strong job market for America and for the automotive industry.

We've got to reduce government spending -- and draw the line against new taxes. Deficit spending dries up sources of savings the private sector needs to invest, to grow and to create new jobs.

We've got to put an end to excessive government regulation. Our companies can't compete if the government chokes them in red tape. I've ordered a 90-day review of all new regulation with this aim in mind: whatever contributes to economic growth goes forward. Whatever stifles growth gets scrapped. //

If we want to make America more competitive, we've got to move forward on civil justice reform. Too many businesses can't start up or keep going because too many lawyers and too many lawsuits get in the way -- 18 million lawsuits last year alone. Right now, lawsuits cost this economy \$300 billion dollars a year. // It's time for reform -- time to replace the explosion of mindless litigation with a little common sense. //

We've got to keep our nation on the cutting edge of new technologies. That's why I've proposed record federal funding for R&D -- it's why we back initiatives like the battery consortium to pioneer a new generation of electric cars. In the global competition, it's going to come down to this: the future belongs to the people with the bright ideas.

If we want to be more competitive, we've got to encourage investment. That's why I've called on Congress to pass my investment tax allowance. And it's why I've urged the Congress to quit punishing the people who invest their hard-earned money to create new jobs -- and cut the tax on capital gains.

We must provide our children with a 21st Century education - - today. We won't have a first-class economy with second-rate schools. America 2000 strategy: our plan to revolutionize -- to literally re-invent -- America's schools.

Finally, we've got to work to open markets around the world to American goods. // Earlier this year, I took some of the people here today with me to Japan. We all took a little flack in the press for that trip -- but the fact is, that trip laid down a marker. It signalled to our trade partners that America is serious about free and fair trade. Level the playing field, and American workers and American business can compete with anyone. //

We'll keep pushing to open markets that for too long have been closed to quality American goods. We've already seen results: new markets for American computers, glass and paper.

[[ In the automotive industry, just last month, GM received approval opening unlimited exports of the Pontiac Grand-Am to Japan. And the benefits won't simply flow to the Big 3: Detroit Center Tool reports that its sales in Japan will jump 500 percent this year alone -- to 30 million dollars. ]]

So far today, I've talked about my plan -- my plan to get this economy growing again and to get this country ready for the challenges of a new century. But I want to make sure that when you walk out of this room today -- you know exactly where I stand regarding the future of this country's manufacturing base.

So let me repeat: here's what I can do -- and I'll give it to you straight:

I will not allow the federal government to contribute to any deterioration in America's manufacturing base.

I will stop counter-productive regulations that cripple your freedom of action and cost this country jobs. And I will veto any CAFE legislation that costs a single American job. //

I will veto mandates that pass the buck to business and hurt competitiveness.

I will veto job-destroying tax increases.

Let me tell you what I'll fight for:

I will fight for job-creating incentives.

I will fight to open markets around the world to American products -- but I will fight against the forces of protectionism abroad -- and here at home.

That's what I will do -- and here's what you in the business community must do. Some of the things I'm going to say may strike a nerve. But it's got to be said.

You've got to invest in your future: See past the next quarter's balance sheet -- look to the long-term.

You've got to train and re-train your workers -- give them the skills they'll need to cope with a changing workplace -- take a stake in our schools and help teach the children who'll shape our future.

You've got to continue to build on recent progress that has labor and management working as allies -- not adversaries. No company can compete when it's at war with itself.

You've got to fight for foreign markets -- make the commitment for the long-haul. Don't expect government to ride in to the rescue: Because there's one thing I won't do: and that's give one industry a leg up on all the others. Government can't second-guess the marketplace by picking winners and losers.

And let me add a word today about responsibility in corporate America -- about a practice that's managed to raise the blood-pressure of every working American, and fuel a cynicism about business this country just cannot afford. I think you know what I'm talking about. How many millions of people here in Michigan and across the country must have asked themselves how a company can lose money, lay off workers -- while its executives pull down these 7-and 8-figure pay packages? //

If responsibility has any meaning in the business world, it starts by linking pay to performance. Performance measured means performance improved: People back at work. Assembly lines up and running. Putting out a superior product -- and bringing in a profit: do that, and any executive can lay claim to a legitimate bonus.

The last thing I want to see is the government setting salaries. But when it comes to executive pay, there's nothing wrong with a little shareholder democracy. That's why I've asked the SEC to expand shareholders' access to information -- to give them a stronger voice in corporate councils. //

I want to close today with a few words from the heart. I know some folks were surprised I'd come to Detroit -- surprised I'd come to a city and state that's experienced such hard times. But I came here for that very reason: to look you in the eye, and tell you what we've got to do to turn this economy around. // I have too much respect for the people in this room -- too much respect for the men and women who work the assembly lines - - to expect you to settle for anything short of the truth.

Yes, it's an election year. When the rhetoric heats up, it gets tough separating fact from fiction. Well, I can tell you this: All the quick-fix schemes and gimmicks in the world are just that: gimmicks. The plan I've laid out today will help America take on the toughest competition -- and win.

So let's not wring our hands -- or try to run away from the challenge. Let's do what America always does when challenge comes our way: Let's change America -- for the better. //

Thank you -- and may God bless the United States of America.

**# # #**

92 MAR 12 P4:47

WHITE HOUSE STAFFING MEMORANDUM

DATE: 3/12/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: REVISED PRESIDENTIAL REMARKS: ECONOMIC CLUB OF DETROIT FRIDAY, MARCH 13

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CALIO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROLLINS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SMITH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	YEUTTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>FINDLAY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BOSKIN		<input checked="" type="checkbox"/>	<u>MCGROARTY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

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

THE WHITE HOUSE  
WASHINGTON

March 12, 1992

fo  
3/12  
3:30 pm  
02 MAR 12 09:28

MEMORANDUM FOR THE PRESIDENT  
THROUGH: DAVID DEMAREST *DD*  
FROM: DAN MC GROARTY *DMG*  
SUBJECT: PROPOSED REMARKS FOR ECONOMIC CLUB OF DETROIT

I. SUMMARY

On Friday, March 13 at 12:45 p.m. you will deliver remarks to an audience of 1,600 at the Economic Club of Detroit at the Grand Manor of the Fairlane Club in Dearborn, Michigan.

II. DISCUSSION

Your remarks (approximately 14 minutes / teleprompter) focus on the economy, the role of manufacturing and the problems it faces. Your remarks highlight your short and long-term growth plans, and mention recent results of your Asia trip: new markets for American computer, glass, paper, auto and auto parts industries.

McGroarty/Bunton  
March 12, 1992  
3:00 pm  
[DET.5]

02 MAR 12 P3:09

PRESIDENTIAL REMARKS: DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
12:45 A.M.

[Introductory acknowledgements.] My thanks for that warm Michigan welcome.

Four short days from now, Michigan faces a choice. You will make a decision that will shape the way this country copes with the big issues: the issues that shape the world -- and the values close to home: I'm talking about jobs, about family -- about peace: for ourselves -- for our children.

Right now, the most important issue facing Michigan and this country is the economy. It's my number one priority: jobs.

Manufacturing has been the greatest generator of good jobs in American history. Take a look at the auto industry. I'm speaking not simply about the jobs created in the industry itself -- but the thousands upon thousands of jobs in supplier and spin-off businesses. Manufacturing is and always will be the basic strength of this country's economy. No nation will ever lead the world without a strong manufacturing base.

50 years ago, this great state of Michigan earned the proud title of Arsenal of Democracy. Industries centered here had no peers and practically no competitors -- anywhere on the planet. Today, things are different. Michigan's manufacturers are not just competing with a few out-gunned adversaries. They are up

against tough, hard-nosed competitors in practically every developed country.

Today, the new reality is simply this: If we want to succeed economically at home -- we've got to compete economically abroad.

Let's not overlook the things that should give us some hope. Interest rates are lower now than at any point in the past ten years. Inflation is under control. {Housing sales: up -- auto sales: up.} For all our troubles, America is still the world's dominant economy: the one market other countries want to crack - - the economy producing goods in demand in every country, every corner of the world. //

Right now, we're in the middle of a record export boom -- one that's narrowed the trade deficit from 119 billion to 66 billion dollars in the past three years alone. Not only do we export more than any other country in the world today -- but we've been gaining ground, not losing it, to our competitors. American exports have doubled since 1985. These are fundamentals we can build on -- the raw material to manufacture the solid, strong recovery we know we'll see.

Michigan and our country have been through some tough times. There's no sense pretending things are better than they are. But there's also no sense underestimating our strengths or exaggerating our weaknesses. The simple fact is, we face a future with both challenges and opportunities. In the past three years, the United States has helped bring about change that has

reshaped our world for the better. We're the country that won the Cold War -- that drew a line in the sand and drove a dictator out of Kuwait. We're the country that made sacrifices for freedom in the far corners of the world -- and because we did, right here at home, our children sleep more safely.

Yes, American leadership has changed the world -- and now we will change America. //

I don't think there's anyone in this room who doesn't believe that the key to America's economic future is our ability to lead -- to succeed in the world economically, as we have politically. That's what my economic plan is all about.

Back in January, I sent Congress a specific short-term action plan to stimulate our economy -- to spark a recovery as early as this spring: a recovery that would increase auto sales and create jobs. When I sent that plan to Capitol Hill -- I set a deadline. One short week from now: March 20. You know the story. Congress barely gave my plan a glance before they got busy on their own agenda: a \$90 billion dollar tax increase that will threaten our recovery -- and cost us jobs. You can count on this: I will veto any tax increase the Democrats send my way -- the minute it hits my desk.

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We've got to reduce government spending -- and draw the line against new taxes. Deficit spending dries up sources of savings the private sector needs to invest, to grow and to create new jobs.

We've got to put an end to excessive government regulation. Our companies can't compete if the government chokes them in red tape. I've ordered a 90-day review of all new regulation with this aim in mind: whatever contributes to economic growth goes forward. Whatever stifles growth gets scrapped. //

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board canisters pose a real risk to safety -- a risk we simply cannot impose on American drivers.     ]]

If we want to make America more competitive, we've got to move forward on civil justice reform. Too many businesses can't start up or keep going because too many lawyers and too many lawsuits get in the way -- 18 million lawsuits last year alone. Right here in Detroit, there are businessmen and women ready to expand, ready to hire new workers -- stopped cold by the fear of litigation. All told, when you add in indirect expenses, lawsuits cost this economy \$300 billion dollars a year. // It's time for reform -- time to replace the explosion of mindless litigation with a little common sense. //

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If we want to be more competitive, we've got to encourage investment. That's why I've called on Congress to pass my investment tax allowance. And it's why I've urged the Congress to quit punishing the people who invest their hard-earned money to create new jobs -- and cut the tax on capital gains.

We must provide our children with a 21st Century education -  
- today. We won't have a first-class economy with second-rate

schools. America 2000 strategy: our plan to revolutionize -- to literally re-invent -- America's schools.

Finally, we've got to work to open markets around the world to American goods. // Earlier this year, I took some of the people here today with me to Japan. We all took a little flack in the press for that trip -- but the fact is, that trip laid down a marker. It signalled to our trade partners that America is serious about free and fair trade. Level the playing field, and American workers and American business can compete with anyone. //

We'll keep pushing to open markets that for too long have been closed to quality American goods. We've already seen results: new markets for American computers, glass and paper. [[ We've seen positive steps in the automotive industry as well. Japan will now accept American emissions tests instead of requiring redundant tests of their own. Just last month, GM received approval opening unlimited exports of the Pontiac Grand-Am to Japan. And the benefits won't simply flow to the Big 3: Detroit Center Tool reports that its sales in Japan will jump 500 percent this year alone -- to 30 million dollars. ]]

So far today, I've talked about my plan -- my plan to get this economy growing again and to get this country ready for the challenges of a new century.

So let me repeat: here's what I can do -- and I'll give it to you straight:

I will veto mandates that pass the buck to business and hurt competitiveness.

I will veto job-destroying tax increases -- and fight for job-creating incentives.

I will fight to open markets around the world to American products -- and I will fight against the forces of isolationism who want us to turn our back and run from the future.

That's what I will do -- and here's what you in the business community must do. Some of the things I'm going to say may strike a nerve. But if we're going to work together to make America more competitive, it something that's got to be said.

You've got to invest in your future: See past the next quarter's balance sheet -- look to the long-term.

You've got to train and re-train your workers -- give them the skills they'll need to cope with a changing workplace.

You've got to continue to build on recent progress that has labor and management working as allies -- not adversaries. No company can compete when it's at war with itself.

You've got to fight for foreign markets -- make the commitment for the long-haul.

We all know how to measure performance: people back at work. Assembly lines up and running. Putting out a superior product -- and bringing in a profit.

I was in business. I know what it's like to sweat to make a payroll. To run risks. To succeed -- and to fail. // When my

company made money -- I made money. When times got tough -- from the top down, we all tightened our belts.

The last thing I want to see is the government setting salaries. But when it comes to executive pay -- there's nothing wrong with a little shareholder democracy. That's why I applaud the Security and Exchange Commission's proposals to expand shareholders' access to information -- to give the real owners a stronger voice in corporate councils. //

I want to close today with a few words from the heart. I know some folks were surprised I'd come to Detroit -- surprised I'd come to a city and state that's experienced such hard times. But I came here for that very reason: to look you in the eye, and tell you what we've got to do to turn this economy around. // I have too much respect for the people in this room -- too much respect for the men and women who work the assembly lines - - to expect you to settle for anything short of the truth.

Yes, it's an election year. When the rhetoric heats up, it gets tough separating fact from fiction. Well, I can tell you this: All the quick-fix schemes and gimmicks in the world are just that: gimmicks. The plan I've laid out today will help America take on the toughest competition -- and win.

So let's not wring our hands -- or try to run away from the challenge. Let's do what America always does when challenge comes our way: Let's change America -- for the better. //

Thank you -- and may God bless the United States of America.

# # #

McGroarty/Bunton  
March 12, 1992  
3:00 pm  
[DET.5]

PRESIDENTIAL REMARKS: DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
12:45 A.M.

[Introductory acknowledgements.] My thanks for that warm Michigan welcome.

Four short days from now, Michigan faces a choice. You will make a decision that will shape the way this country copes with the big issues: the issues that shape the world -- and the values close to home: I'm talking about jobs, about family -- about peace: for ourselves -- for our children.

Right now, the most important issue facing Michigan and this country is the economy. It's my number one priority: jobs.

Manufacturing has been the greatest generator of good jobs in American history. Take a look at the auto industry. I'm speaking not simply about the jobs created in the industry itself -- but the thousands upon thousands of jobs in supplier and spin-off businesses. Manufacturing is and always will be the basic strength of this country's economy. No nation will ever lead the world without a strong manufacturing base.

50 years ago, this great state of Michigan earned the proud title of Arsenal of Democracy. Industries centered here had no peers and practically no competitors -- anywhere on the planet. Today, things are different. Michigan's manufacturers are not just competing with a few out-gunned adversaries. They are up

against tough, hard-nosed competitors in practically every developed country.

Today, the new reality is simply this: If we want to succeed economically at home -- we've got to compete economically abroad.

Let's not overlook the things that should give us some hope. Interest rates are lower now than at any point in the past ten years. Inflation is under control. {Housing sales: up -- auto sales: up.} For all our troubles, America is still the world's dominant economy: the one market other countries want to crack -- the economy producing goods in demand in every country, every corner of the world. //

Right now, we're in the middle of a record export boom -- one that's narrowed the trade deficit <sup>35% last year alone.</sup> ~~from 119 billion to 66 billion dollars in the past three years alone.~~ Not only do we export more than any other country in the world today -- but we've been gaining ground, not losing it, to our competitors. American exports have doubled since 1985. These are fundamentals we can build on -- the raw material to manufacture the solid, strong recovery we know we'll see.

Michigan and our country have been through some tough times. There's no sense pretending things are better than they are. But there's also no sense underestimating our strengths or exaggerating our weaknesses. The simple fact is, we face a future with both challenges and opportunities. In the past three years, the United States has helped bring about change that has

reshaped our world for the better. We're the country that won the Cold War -- that drew a line in the sand and drove a dictator out of Kuwait. We're the country that made sacrifices for freedom in the four corners of the world -- and because we did, right here at home, our children sleep more safely.

Yes, American leadership has changed the world -- and now we will change America. //

I don't think there's anyone in this room who doesn't believe that the key to America's economic future is our ability to lead -- to succeed in the world economically, as we have politically. That's what my economic plan is all about.

Back in January, I sent Congress a specific short-term action plan to stimulate our economy -- to spark a recovery as early as this spring: a recovery that would increase auto sales and create jobs. When I sent that plan to Capitol Hill -- I set a deadline. One short week from now: March 20. You know the story. Congress barely gave my plan a glance before they got busy on their own agenda: a \$90 billion dollar tax increase that will threaten our recovery -- and cost us jobs. You can count on this: I will veto any tax increase the Democrats send my way -- the minute it hits my desk.

In addition to my action plan, I sent Congress a broader, long-term plan to help make America more competitive. That plan includes seven things we've got to accomplish to ensure a strong job market for America and for the automotive industry.

We've got to reduce government spending -- and draw the line against new taxes. Deficit spending dries up sources of savings the private sector needs to invest, to grow and to create new jobs.

We've got to put an end to excessive government regulation. Our companies can't compete if the government chokes them in red tape. I've ordered a 90-day review of all new regulation with this aim in mind: whatever contributes to economic growth goes forward. Whatever stifles growth gets scrapped. //

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DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
12:45 A.M.

Mike Guido  
Mayor [Guy-do] TELEP.  
C. MARTIN

NEW

MY THANKS FOR THAT WARM MICHIGAN WELCOME. GOV.  
[JOHN] ENGLER, THANK YOU FOR THAT KIND INTRODUCTION.  
I'M PLEASED TO SEE YOUR LOVELY WIFE, MICHELLE IN THE  
AUDIENCE AS WELL AS YOUR ABLE LT. GOVERNOR, CONNIE  
BINSFELD, AND ONE LAST THANK YOU TO GERRY WARREN FOR  
THE OPPORTUNITY TO ADDRESS THIS DISTINGUISHED GROUP.

AND MAYOR MIKE GUIDO [GUY-DOUGH]

FOUR SHORT DAYS FROM NOW, MICHIGAN FACES A CHOICE.  
YOU WILL MAKE A DECISION THAT WILL SHAPE THE WAY THIS  
COUNTRY COPE WITH THE BIG ISSUES: THE ISSUES THAT  
SHAPE THE WORLD -- AND THE VALUES CLOSE TO HOME: I'M  
TALKING ABOUT JOBS, ABOUT FAMILY -- ABOUT PEACE: FOR  
OURSELVES -- FOR OUR CHILDREN.

HEINZ PRETOR

RIGHT NOW, THE MOST IMPORTANT ISSUE FACING MICHIGAN AND THIS COUNTRY IS THE ECONOMY. IT'S MY NUMBER ONE PRIORITY: JOBS. MANUFACTURING HAS BEEN THE GREATEST GENERATOR OF GOOD JOBS IN AMERICAN HISTORY. TAKE A LOOK AT THE AUTO INDUSTRY. I'M SPEAKING NOT SIMPLY ABOUT THE JOBS CREATED IN THE INDUSTRY ITSELF -- BUT THE THOUSANDS UPON THOUSANDS OF JOBS IN SUPPLIER AND SPIN-OFF BUSINESSES. MANUFACTURING IS AND ALWAYS WILL BE A BASIC STRENGTH OF THIS COUNTRY'S ECONOMY. NO NATION WILL EVER LEAD THE WORLD WITHOUT A STRONG MANUFACTURING BASE.

50 YEARS AGO, THIS GREAT STATE OF MICHIGAN EARNED THE PROUD TITLE OF ARSENAL OF DEMOCRACY. INDUSTRIES CENTERED HERE HAD NO PEERS AND PRACTICALLY NO COMPETITORS -- ANYWHERE ON THE PLANET. TODAY, THINGS ARE DIFFERENT. MICHIGAN'S MANUFACTURERS ARE NOT JUST COMPETING WITH A FEW OUT-GUNNED ADVERSARIES. THEY ARE UP AGAINST TOUGH, HARD-NOSED COMPETITORS IN PRACTICALLY EVERY DEVELOPED COUNTRY.

TODAY, THE NEW REALITY IS SIMPLY THIS: IF WE WANT TO SUCCEED ECONOMICALLY AT HOME -- WE'VE GOT TO COMPETE ECONOMICALLY ABROAD.

ALL WE SEEM TO HEAR ON THE NEWS IS GLOOM AND DOOM, BUT LET'S NOT OVERLOOK SOME OF THE FUNDAMENTALS THAT PROVE WE'RE POISED FOR A NATIONAL RECOVERY. INTEREST RATES ARE LOWER NOW THAN AT ANY POINT IN THE PAST TEN YEARS. THE PRIME RATE IS NOW 6.5%. INFLATION IS UNDER CONTROL. MONTHLY RETAIL SALES ARE UP 1.3% IN FEBRUARY -- ON TOP OF A 2.1% RISE IN JANUARY. HOUSING STARTS ARE UP 5.5% SINCE DECEMBER. / FOR ALL OUR TROUBLES, AMERICA IS STILL THE WORLD'S DOMINANT ECONOMY: THE ONE MARKET OTHER COUNTRIES WANT TO CRACK -- THE ECONOMY PRODUCING GOODS IN DEMAND IN EVERY COUNTRY, EVERY CORNER OF THE WORLD. //

RIGHT NOW, NATION-WIDE, WE'RE IN THE MIDDLE OF A RECORD EXPORT BOOM -- ONE THAT'S DRIVEN THE TRADE DEFICIT DOWN 35% IN THE PAST YEAR ALONE. NOT ONLY DO WE EXPORT MORE THAN ANY OTHER COUNTRY IN THE WORLD TODAY -- BUT WE'VE BEEN GAINING GROUND, NOT LOSING IT, TO OUR COMPETITORS. \*AMERICAN EXPORTS HAVE DOUBLED SINCE 1985. I FULLY REALIZE THIS IS NOT TRUE FOR OUR AUTO INDUSTRY, BUT THESE ARE FUNDAMENTALS WE CAN BUILD ON -- THE RAW MATERIAL TO MANUFACTURE THE SOLID, STRONG RECOVERY WE KNOW WE'LL SEE.

FACT CHECK

↑ 82%

MICHIGAN

IT LOOKS DIFFERENT HERE IN DETROIT. MICHIGAN HAS BEEN THROUGH SOME TOUGH TIMES. THERE'S NO SENSE PRETENDING THINGS ARE BETTER THAN THEY ARE. BUT THERE'S ALSO NO SENSE UNDERESTIMATING OUR STRENGTHS OR EXAGGERATING OUR WEAKNESSES. THE SIMPLE FACT IS, WE FACE A FUTURE WITH BOTH CHALLENGES AND OPPORTUNITIES. IN THE PAST THREE YEARS, THE UNITED STATES HAS HELPED BRING ABOUT CHANGE THAT HAS RESHAPED OUR WORLD FOR THE BETTER. WE'RE THE COUNTRY THAT WON THE COLD WAR -- THAT DREW A LINE IN THE SAND AND DROVE A DICTATOR OUT OF KUWAIT. WE'RE THE COUNTRY THAT MADE SACRIFICES FOR FREEDOM IN THE FOUR CORNERS OF THE WORLD -- AND BECAUSE WE DID, RIGHT HERE AT HOME, OUR CHILDREN, LESS FEARFUL OF THE THREAT OF NUCLEAR WAR, SLEEP MORE SAFELY.

YES, AMERICAN LEADERSHIP HAS CHANGED THE WORLD -- AND NOW I WANT TO USE THAT SAME LEADERSHIP TO CHANGE AMERICA. //

I DON'T THINK THERE'S ANYONE IN THIS ROOM WHO DOESN'T BELIEVE THAT THE KEY TO AMERICA'S ECONOMIC FUTURE IS OUR ABILITY TO LEAD -- TO SUCCEED IN THE WORLD ECONOMICALLY, AS WE HAVE POLITICALLY. THAT'S WHAT MY ECONOMIC PLAN IS ALL ABOUT.

BACK IN JANUARY, 45 DAYS AGO TODAY, I SENT CONGRESS A SPECIFIC SHORT-TERM ACTION PLAN TO STIMULATE OUR ECONOMY -- TO SPARK A RECOVERY AS EARLY AS THIS SPRING: A RECOVERY THAT WOULD INCREASE AUTO SALES AND CREATE JOBS. WHEN I SENT THAT PLAN TO CAPITOL HILL -- I SET A DEADLINE. ONE SHORT WEEK FROM NOW: MARCH 20. YOU KNOW THE STORY. CONGRESS BARELY GAVE MY PLAN A GLANCE BEFORE THEY GOT BUSY ON THEIR OWN AGENDA: A \$90 BILLION DOLLAR TAX INCREASE THAT WILL THREATEN OUR RECOVERY -- AND COST US JOBS. ANY ECONOMIST WORTH HIS SALT WILL TELL YOU -- THE LAST THING THIS ECONOMY NEEDS IS A MASSIVE TAX INCREASE. YOU CAN COUNT ON THIS: IF THE DEMOCRATS SEND ME THAT PLAN -- THEY CAN GET READY FOR A VETO, THE MINUTE IT HITS MY DESK. //

MY PLAN WILL MAKE AMERICA MORE COMPETITIVE. IT INCLUDES SEVEN THINGS WE'VE GOT TO ACCOMPLISH TO ENSURE A STRONG JOB MARKET FOR AMERICA AND FOR THE AUTOMOTIVE INDUSTRY.

WE'VE GOT TO REDUCE GOVERNMENT SPENDING -- AND DRAW THE LINE AGAINST NEW TAXES. DEFICIT SPENDING DRIES UP SOURCES OF SAVINGS THE PRIVATE SECTOR NEEDS TO INVEST, TO GROW AND TO CREATE NEW JOBS. THERE'S ONLY ONE PROTECTION THE TAXPAYER HAS AGAINST UNCONTROLLED DISCRETIONARY SPENDING -- THOSE SPENDING CAPS WE GOT ENACTED A YEAR AND A HALF AGO. AND GUESS WHAT? THE CONGRESS WANTS TO GET RID OF THEM NOW AND GO BACK TO THE DAYS OF UNCHECKED SPENDING. WELL, I'M JUST NOT GOING TO LET THEM DO THAT.

WE'VE GOT TO PUT AN END TO EXCESSIVE GOVERNMENT REGULATION AS WELL. OUR COMPANIES CAN'T COMPETE IF THE GOVERNMENT CHOKES THEM IN RED TAPE. WE'VE GOT TO STOP COUNTER-PRODUCTIVE REGULATIONS THAT CRIPPLE YOUR FREEDOM OF ACTION AND COST THIS COUNTRY JOBS. I'VE ORDERED A 90-DAY REVIEW OF ALL NEW REGULATION WITH THIS AIM IN MIND: WHATEVER CONTRIBUTES TO ECONOMIC GROWTH GOES FORWARD. WHATEVER STIFLES GROWTH GETS SCRAPPED.

//

WE'RE AT MIDPOINT IN THAT REVIEW. BUT EVEN NOW, YOU CAN SEE THE RESULTS -- THE SHEER VOLUME OF NEW RULES AND REGULATIONS IS DOWN TO 25 A WEEK, FROM 6 TIMES THAT AMOUNT JUST ONE YEAR AGO.

ALREADY, WE'VE ANNOUNCED REGULATORY RELIEF TO BENEFIT SECTORS OF OUR ECONOMY FROM BIOTECH TO ENERGY. WE'RE LOOKING NOW FOR CREATIVE, NEW WAYS TO USE REGULATIONS TO CLEAN UP OUR ENVIRONMENT. //

TIMES HAVE CHANGED SINCE THE DAY 16 YEARS AGO WHEN CAFE STANDARDS CAME INTO EXISTENCE. WE NOW KNOW THAT CAFE CAN COST JOBS -- AND EVEN LIVES -- ON THE HIGHWAY. RIGHT NOW, THROUGH MY DEPARTMENT OF TRANSPORTATION, I'VE BEEN WORKING WITH THE AUTO INDUSTRY AND THE UAW TO FIGHT IRRESPONSIBLE LEGISLATION. I WILL NOT SIGN CAFE LEGISLATION THAT WILL DESTROY THE AUTO INDUSTRY AND COST AMERICAN JOBS. //

*nearly two decades, 1975  
17 yrs*

WE WILL TAKE SEVERAL REGULATORY STEPS AFFECTING THE AUTO INDUSTRY IN THE NEAR FUTURE. BUT THERE IS ONE REGULATORY REFORM I CAN ANNOUNCE TODAY. FOR SOME TIME, THE E.P.A. HAS BEEN CONSIDERING A REQUIREMENT TO ORDER THAT ALL NEW CARS BE EQUIPPED WITH ON-BOARD CANISTERS TO CATCH AND CONTAIN FUMES COMING FROM THE GAS PUMP. AS A RESULT OF OUR REGULATORY REVIEW, WE HAVE DECIDED AGAINST SUCH A RULE. THE DEPARTMENT OF TRANSPORTATION DETERMINED THAT ON-BOARD CANISTERS POSE A REAL RISK TO SAFETY -- A RISK WE SIMPLY CANNOT IMPOSE ON AMERICAN DRIVERS. *Xe*

IF WE WANT TO MAKE AMERICA MORE COMPETITIVE, WE'VE GOT TO MOVE FORWARD ON CIVIL JUSTICE REFORM AS WELL. TOO MANY BUSINESSES CAN'T START UP OR KEEP GOING BECAUSE TOO MANY LAWYERS AND TOO MANY LAWSUITS GET IN THE WAY -- 18 MILLION LAWSUITS ~~LAST YEAR ALONE~~ *EVERY YEAR*. RIGHT HERE IN DETROIT, THERE ARE BUSINESSMEN AND WOMEN READY TO EXPAND, READY TO HIRE NEW WORKERS -- STOPPED COLD BY THE FEAR OF LITIGATION. ALL TOLD, WHEN YOU ADD IN INDIRECT EXPENSES, LAWSUITS COST THIS ECONOMY \$300 BILLION DOLLARS A YEAR. // IT'S TIME FOR REFORM -- TIME TO REPLACE THE EXPLOSION OF MINDLESS LITIGATION WITH A LITTLE COMMON SENSE. //

WE'VE GOT TO KEEP OUR NATION ON THE CUTTING EDGE OF NEW TECHNOLOGIES. THAT'S WHY I'VE PROPOSED RECORD FEDERAL FUNDING FOR R&D -- IT'S WHY WE BACK INITIATIVES LIKE ONE I SIGNED AT THE WHITE HOUSE LAST OCTOBER, TO CREATE A BATTERY CONSORTIUM TO PIONEER A NEW GENERATION OF ELECTRIC CARS. // IN THE GLOBAL COMPETITION, IT'S GOING TO COME DOWN TO THIS: THE BEST WAY TO MASTER NEW MARKETS -- IS TO MAKE THEM.

IF WE WANT TO BE MORE COMPETITIVE, WE'VE GOT TO ENCOURAGE INVESTMENT. THAT'S WHY I'VE CALLED ON CONGRESS TO PASS MY INVESTMENT TAX ALLOWANCE. AND CONGRESS MUST CUT THE TAX ON CAPITAL GAINS. //

WE MUST PROVIDE OUR CHILDREN WITH A 21ST CENTURY EDUCATION -- TODAY. WE WON'T HAVE A FIRST-CLASS ECONOMY WITH SECOND-RATE SCHOOLS. TO HAVE THE BEST ECONOMY YOU HAVE TO HAVE THE BEST EDUCATED WORKFORCE. THAT'S THE IDEA BEHIND MY AMERICA 2000 STRATEGY: OUR PLAN TO REVOLUTIONIZE -- TO LITERALLY RE-INVENT -- AMERICA'S SCHOOLS.

FINALLY, WE'VE GOT TO WORK TO OPEN MARKETS AROUND  
THE WORLD TO AMERICAN GOODS. // EARLIER THIS YEAR, I  
TOOK SOME OF THE PEOPLE HERE TODAY WITH ME TO JAPAN.  
WE ALL TOOK A LITTLE FLACK IN THE PRESS FOR THAT TRIP -  
- BUT THE FACT IS, THAT TRIP LAID DOWN A MARKER. IT  
SIGNALLED TO OUR TRADE PARTNERS THAT I AM SERIOUS ABOUT  
FREE AND FAIR TRADE. LEVEL THE PLAYING FIELD, AND  
AMERICAN WORKERS AND AMERICAN BUSINESS CAN COMPETE WITH  
ANYONE. //

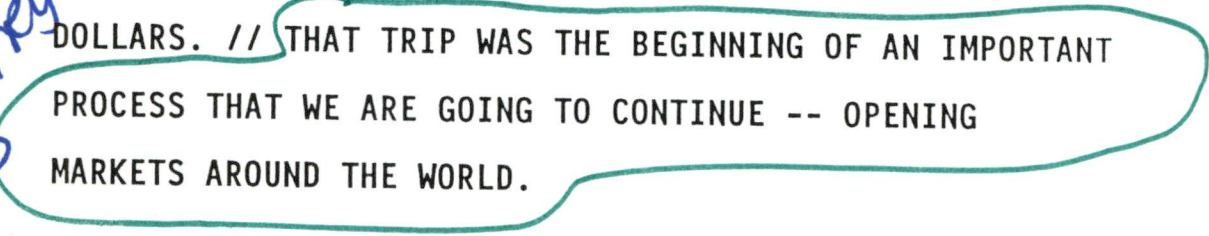
DRAMATIC



WE'LL KEEP PUSHING TO OPEN MARKETS THAT FOR TOO LONG HAVE BEEN CLOSED TO QUALITY AMERICAN GOODS. WE'VE ALREADY SEEN A PAY-OFF: NEW MARKETS FOR AMERICAN IN JAPAN'S COMPUTER, GLASS AND PAPER MARKETS: ALL AS A DIRECT RESULT OF OUR TRIP. AMERICAN ACCESS TO THE JAPANESE GOVERNMENT MAINFRAME COMPUTER MARKET ALONE COULD MEAN AN ADDITIONAL \$5.5 BILLION IN SALES. / WE'VE SEEN POSITIVE STEPS IN THE AUTOMOTIVE INDUSTRY AS WELL. UNDER THE TERMS OF OUR VOLUNTARY AGREEMENT WITH JAPAN, THAT COUNTRY'S AUTO INDUSTRY WILL PURCHASE AN ADDITIONAL TEN BILLION DOLLARS WORTH OF U.S. AUTO PARTS BY 1994. AND THE BENEFITS WON'T SIMPLY FLOW TO THE BIG 3: DETROIT CENTER TOOL REPORTS THAT ITS SALES IN JAPAN WILL JUMP 500 PERCENT THIS YEAR ALONE -- TO 30 MILLION DOLLARS. // THAT TRIP WAS THE BEGINNING OF AN IMPORTANT PROCESS THAT WE ARE GOING TO CONTINUE -- OPENING MARKETS AROUND THE WORLD.

SO FAR TODAY, I'VE TALKED ABOUT MY PLAN -- MY PLAN TO GET THIS ECONOMY GROWING AGAIN AND TO GET THIS COUNTRY READY FOR THE CHALLENGES OF A NEW CENTURY.

JAPAN'S  
Auto  
Industry  
Intends  
to



SO LET ME REPEAT: HERE'S WHAT I WILL DO -- AND  
I'LL GIVE IT TO YOU STRAIGHT:

I WILL VETO MANDATES THAT PASS THE BUCK TO BUSINESS  
AND HURT COMPETITIVENESS.

I WILL VETO JOB-DESTROYING TAX INCREASES -- AND  
FIGHT FOR JOB-CREATING INCENTIVES.

I WILL FIGHT TO OPEN MARKETS AROUND THE WORLD TO  
AMERICAN PRODUCTS -- AND I WILL FIGHT AGAINST THE  
FORCES OF ISOLATIONISM WHO WANT US TO TURN OUR BACK AND  
RUN FROM THE FUTURE.

THAT'S WHAT I WILL DO -- AND HERE'S WHAT YOU IN THE BUSINESS COMMUNITY MUST DO. <sup>2</sup>IF WE'RE GOING TO WORK TOGETHER TO MAKE AMERICA MORE COMPETITIVE, YOU'VE GOT TO CONTINUE YOUR COMMITMENT TO TRAIN AND RE-TRAIN YOUR WORKERS -- GIVE THEM THE SKILLS THEY'LL NEED TO COPE WITH A CHANGING WORKPLACE. AND TO HELP WORKERS ADJUST TO NEW ECONOMIC CONDITIONS GOVERNMENT CAN HELP TOO. FOR EXAMPLE, LAST WEEK A DEPARTMENT OF LABOR TASK FORCE WAS HERE WORKING WITH REPRESENTATIVES OF THE U.A.W. AND G.M. ON JUST THAT ISSUE.

ALSO, YOU'VE GOT TO CONTINUE TO BUILD ON RECENT PROGRESS THAT HAS LABOR AND MANAGEMENT WORKING AS ALLIES -- NOT ADVERSARIES. NO COMPANY CAN COMPETE WHEN IT'S AT WAR WITH ITSELF. YOU'VE GOT TO FIGHT FOR FOREIGN MARKETS -- MAKE THE COMMITMENT FOR THE LONG-HAUL.

I WAS IN BUSINESS. I KNOW WHAT IT'S LIKE TO SWEAT TO MAKE A PAYROLL. TO RUN RISKS. TO SUCCEED -- AND TO OVERCOME SETBACKS. WE ALL KNOW HOW TO MEASURE PERFORMANCE: PERFORMANCE MEASURED IS PERFORMANCE IMPROVED: PEOPLE BACK AT WORK. ASSEMBLY LINES UP AND RUNNING. PUTTING OUT A SUPERIOR PRODUCT -- AND BRINGING IN A PROFIT. //

I WANT TO CLOSE TODAY BY SAYING, I KNOW WHEN I DECIDED TO COME HERE I WAS GOING TO A GREAT CITY AND STATE THAT'S EXPERIENCED HARD TIMES. BUT I CAME HERE FOR THAT VERY REASON: TO LOOK YOU IN THE EYE, AND TELL YOU WHAT WE WILL DO TO TURN THIS ECONOMY AROUND. // I HAVE TOO MUCH RESPECT FOR THE PEOPLE IN THIS ROOM -- TOO MUCH RESPECT FOR THE MEN AND WOMEN WHO WORK THE ASSEMBLY LINES -- TO EXPECT YOU TO SETTLE FOR ANYTHING SHORT OF THE TRUTH.

YES, IT'S AN ELECTION YEAR. WHEN THE RHETORIC HEATS UP, IT GETS TOUGH SEPARATING FACT FROM FICTION. WELL, I CAN TELL YOU THIS: ALL THE QUICK-FIX SCHEMES IN THE WORLD WON'T GET US WHERE WE WANT TO GO. THE PLAN I'VE LAID OUT TODAY WILL HELP AMERICA TAKE ON THE TOUGHEST COMPETITION -- AND WIN.

SO LET'S NOT WRING OUR HANDS -- OR TRY TO RUN AWAY  
FROM THE CHALLENGE. LET'S DO WHAT AMERICA ALWAYS DOES  
WHEN CHALLENGE COMES OUR WAY: LET'S CHANGE AMERICA --  
FOR THE BETTER. //

THANK YOU -- AND MAY GOD BLESS THE UNITED STATES OF  
AMERICA.

# # #

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Updated

DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
12:45 A.M.

MY THANKS FOR THAT WARM MICHIGAN WELCOME. GOV.  
[JOHN] ENGLER, THANK YOU FOR THAT KIND INTRODUCTION.  
I'M PLEASSED TO SEE YOUR LOVELY WIFE, MICHELLE IN THE  
AUDIENCE AS WELL AS YOUR ABLE LT. GOVERNOR, CONNIE  
BINSFELD. AND ONE LAST THANK YOU TO GERRY WARREN FOR  
THE OPPORTUNITY TO ADDRESS THIS DISTINGUISHED GROUP.

★  
jobs  
opening banks  
for a  
on Capitol Hill

FOUR SHORT DAYS FROM NOW, MICHIGAN FACES A CHOICE.  
YOU WILL MAKE A DECISION THAT WILL SHAPE THE WAY THIS  
COUNTRY COPEs WITH THE BIG ISSUES: THE ISSUES THAT  
SHAPE THE WORLD -- AND THE VALUES CLOSE TO HOME: I'M  
TALKING ABOUT JOBS, ABOUT FAMILY -- ABOUT <sup>world</sup> PEACE: FOR  
OURSELVES -- FOR OUR CHILDREN.

RIGHT NOW, THE MOST IMPORTANT ISSUE FACING MICHIGAN AND THIS COUNTRY IS <sup>clearly</sup> THE ECONOMY. IT'S MY NUMBER ONE PRIORITY: JOBS. MANUFACTURING HAS BEEN THE GREATEST GENERATOR OF GOOD JOBS IN AMERICAN HISTORY. TAKE A LOOK AT THE AUTO INDUSTRY. I'M SPEAKING NOT SIMPLY ABOUT THE JOBS CREATED IN THE INDUSTRY ITSELF -- BUT THE THOUSANDS UPON THOUSANDS OF JOBS IN SUPPLIER AND SPIN-OFF BUSINESSES. MANUFACTURING IS AND ALWAYS WILL BE A BASIC STRENGTH OF THIS COUNTRY'S ECONOMY. NO NATION WILL EVER LEAD THE WORLD WITHOUT A STRONG MANUFACTURING BASE.

50 YEARS AGO, THIS GREAT STATE OF MICHIGAN EARNED THE PROUD TITLE OF ARSENAL OF DEMOCRACY. INDUSTRIES CENTERED HERE HAD NO PEERS AND PRACTICALLY NO COMPETITORS -- ANYWHERE ON THE PLANET. TODAY, THINGS ARE DIFFERENT. MICHIGAN'S MANUFACTURERS ARE NOT JUST COMPETING WITH A FEW OUT-GUNNED ADVERSARIES. THEY ARE UP AGAINST TOUGH, HARD-NOSED COMPETITORS IN PRACTICALLY EVERY DEVELOPED COUNTRY.

TODAY, THE NEW REALITY IS SIMPLY THIS: IF WE WANT TO SUCCEED ECONOMICALLY AT HOME -- WE'VE GOT TO COMPETE ECONOMICALLY ABROAD.

ALL WE SEEM TO HEAR ON THE NEWS IS GLOOM AND DOOM, BUT LET'S NOT OVERLOOK SOME OF THE FUNDAMENTALS THAT PROVE WE'RE POISED FOR A NATIONAL RECOVERY. INTEREST RATES ARE LOWER NOW THAN AT ANY POINT IN THE PAST TEN YEARS. THE PRIME RATE IS NOW 6.5%. INFLATION IS UNDER CONTROL. MONTHLY RETAIL SALES ARE UP 1.3% IN FEBRUARY -- ON TOP OF A 2.1% RISE IN JANUARY. HOUSING STARTS ARE UP 5.5% SINCE DECEMBER. / FOR ALL OUR TROUBLES, AMERICA IS STILL THE WORLD'S DOMINANT ECONOMY: THE ONE MARKET OTHER COUNTRIES WANT TO CRACK -- THE ECONOMY PRODUCING GOODS IN DEMAND IN EVERY COUNTRY, EVERY CORNER OF THE WORLD. //


RIGHT NOW, NATION-WIDE, WE'RE IN THE MIDDLE OF A RECORD EXPORT BOOM -- ONE THAT'S DRIVEN THE TRADE DEFICIT DOWN 35% IN THE PAST YEAR ALONE. AMERICAN EXPORTS HAVE DOUBLED SINCE 1985. NOT ONLY DO WE EXPORT MORE THAN ANY OTHER COUNTRY IN THE WORLD TODAY -- BUT WE'VE BEEN GAINING GROUND, NOT LOSING IT, TO OUR COMPETITORS. I FULLY REALIZE THIS HAS NOT ALWAYS BEEN TRUE FOR OUR AUTO INDUSTRY, BUT THESE ARE FUNDAMENTALS WE CAN BUILD ON -- THE RAW MATERIAL TO MANUFACTURE THE SOLID, STRONG RECOVERY WE KNOW WE'LL SEE.

IT LOOKS DIFFERENT HERE IN DETROIT. MICHIGAN HAS  
BEEN THROUGH SOME <sup>extraordinary</sup> TOUGH TIMES. THERE'S NO SENSE  
PRETENDING THINGS ARE BETTER THAN THEY ARE. BUT  
THERE'S ALSO NO SENSE UNDERESTIMATING OUR STRENGTHS OR  
EXAGGERATING OUR WEAKNESSES. THE SIMPLE FACT IS, WE  
FACE A FUTURE WITH BOTH CHALLENGES AND OPPORTUNITIES.  
IN THE PAST THREE YEARS, THE UNITED STATES HAS HELPED  
BRING ABOUT CHANGE THAT HAS RESHAPED OUR WORLD FOR THE  
BETTER. WE'RE THE COUNTRY THAT WON THE COLD WAR --  
THAT DREW A LINE IN THE SAND AND DROVE A DICTATOR OUT  
OF KUWAIT. WE'RE THE COUNTRY THAT MADE SACRIFICES FOR  
FREEDOM IN THE FOUR CORNERS OF THE WORLD -- AND BECAUSE  
WE DID, RIGHT HERE AT HOME, OUR CHILDREN, LESS FEARFUL  
OF THE THREAT OF NUCLEAR WAR, SLEEP MORE SAFELY.

YES, AMERICAN LEADERSHIP HAS CHANGED THE WORLD --  
AND NOW I WANT TO USE THAT SAME LEADERSHIP TO CHANGE  
AMERICA. //

I DON'T THINK THERE'S ANYONE IN THIS ROOM WHO DOESN'T BELIEVE THAT THE KEY TO AMERICA'S ECONOMIC FUTURE IS OUR ABILITY TO LEAD -- TO SUCCEED IN THE WORLD ECONOMICALLY, AS WE HAVE POLITICALLY. THAT'S WHAT MY ECONOMIC PLAN IS ALL ABOUT.

BACK IN JANUARY, 45 DAYS AGO TODAY, I SENT CONGRESS A SPECIFIC SHORT-TERM ACTION PLAN TO STIMULATE OUR ECONOMY -- TO SPARK A RECOVERY AS EARLY AS THIS SPRING: A RECOVERY THAT WOULD INCREASE AUTO SALES AND CREATE JOBS. WHEN I SENT THAT PLAN TO CAPITOL HILL -- I SET A DEADLINE. ONE SHORT WEEK FROM NOW: MARCH 20. YOU KNOW THE STORY. CONGRESS BARELY GAVE MY PLAN A GLANCE BEFORE THEY GOT BUSY ON THEIR OWN AGENDA: A \$90 BILLION DOLLAR TAX INCREASE THAT WILL THREATEN OUR RECOVERY -- AND COST US JOBS. ANY ECONOMIST WORTH HIS SALT WILL TELL YOU -- THE LAST THING THIS ECONOMY NEEDS IS A MASSIVE TAX INCREASE. YOU CAN COUNT ON THIS: IF THE DEMOCRATS SEND ME THAT PLAN -- THEY CAN GET READY FOR A VETO, THE MINUTE IT HITS MY DESK. //



MY PLAN WILL MAKE AMERICA MORE COMPETITIVE. IT INCLUDES SEVEN THINGS WE'VE GOT TO ACCOMPLISH TO ENSURE A STRONG JOB MARKET FOR AMERICA AND FOR THE AUTOMOTIVE INDUSTRY.

WE'VE GOT TO REDUCE GOVERNMENT SPENDING -- AND DRAW THE LINE AGAINST NEW TAXES. DEFICIT SPENDING DRIES UP SOURCES OF SAVINGS THE PRIVATE SECTOR NEEDS TO INVEST, TO GROW AND TO CREATE NEW JOBS. THERE'S ONLY ONE PROTECTION THE TAXPAYER HAS AGAINST UNCONTROLLED DISCRETIONARY SPENDING -- THOSE SPENDING CAPS WE GOT ENACTED A YEAR AND A HALF AGO. AND GUESS WHAT? THE CONGRESS WANTS TO GET RID OF THEM NOW AND GO BACK TO THE DAYS OF UNCHECKED SPENDING. WELL, I'M JUST NOT GOING TO LET THEM DO THAT.

WE'VE GOT TO PUT AN END TO EXCESSIVE GOVERNMENT REGULATION AS WELL. OUR COMPANIES CAN'T COMPETE IF THE GOVERNMENT CHOKES THEM IN RED TAPE. WE'VE GOT TO STOP COUNTER-PRODUCTIVE REGULATIONS THAT CRIPPLE YOUR FREEDOM OF ACTION AND COST THIS COUNTRY JOBS. I'VE ORDERED A 90-DAY REVIEW OF ALL NEW REGULATION WITH THIS AIM IN MIND: WHATEVER CONTRIBUTES TO ECONOMIC GROWTH GOES FORWARD. WHATEVER STIFLES GROWTH GETS SCRAPPED.

WE'RE AT MIDPOINT IN THAT REVIEW. BUT EVEN NOW, YOU CAN SEE THE RESULTS -- THE SHEER VOLUME OF NEW RULES AND REGULATIONS IS DOWN TO 25 A WEEK, FROM 6 TIMES THAT AMOUNT JUST ONE YEAR AGO.

ALREADY, WE'VE ANNOUNCED REGULATORY RELIEF TO BENEFIT SECTORS OF OUR ECONOMY FROM BIOTECH TO ENERGY. WE'RE LOOKING NOW FOR CREATIVE, NEW WAYS TO USE REGULATIONS TO CLEAN UP OUR ENVIRONMENT. //

TIMES HAVE CHANGED SINCE THE DAY NEARLY TWO DECADES AGO WHEN CAFE STANDARDS CAME INTO EXISTENCE. WE NOW KNOW THAT CAFE CAN COST JOBS -- AND EVEN LIVES -- ON THE HIGHWAY. RIGHT NOW, THROUGH MY DEPARTMENT OF TRANSPORTATION, I'VE BEEN WORKING WITH THE AUTO INDUSTRY AND THE UAW TO FIGHT IRRESPONSIBLE LEGISLATION. I WILL NOT SIGN CAFE LEGISLATION THAT WILL DESTROY THE AUTO INDUSTRY AND COST AMERICAN JOBS.

//

WE WILL TAKE SEVERAL REGULATORY STEPS AFFECTING THE AUTO INDUSTRY IN THE NEAR FUTURE. BUT THERE IS ONE REGULATORY REFORM I CAN ANNOUNCE TODAY. FOR SOME TIME, THE E.P.A. HAS BEEN CONSIDERING A REQUIREMENT TO ORDER THAT ALL NEW CARS BE EQUIPPED WITH ON-BOARD CANISTERS TO CATCH AND CONTAIN FUMES COMING FROM THE GAS PUMP. AS A RESULT OF OUR REGULATORY REVIEW, WE HAVE DECIDED AGAINST SUCH A RULE. THE DEPARTMENT OF TRANSPORTATION DETERMINED THAT ON-BOARD CANISTERS POSE A REAL RISK TO SAFETY -- A RISK WE SIMPLY CANNOT IMPOSE ON AMERICAN DRIVERS.

IF WE WANT TO MAKE AMERICA MORE COMPETITIVE, WE'VE GOT TO MOVE FORWARD ON CIVIL JUSTICE REFORM AS WELL. TOO MANY BUSINESSES CAN'T START UP OR KEEP GOING BECAUSE TOO MANY LAWYERS AND TOO MANY LAWSUITS GET IN THE WAY -- 18 MILLION LAWSUITS EVERY YEAR. RIGHT HERE IN DETROIT, THERE ARE BUSINESSMEN AND WOMEN READY TO EXPAND, READY TO HIRE NEW WORKERS -- STOPPED COLD BY THE FEAR OF LITIGATION. ALL TOLD, WHEN YOU ADD IN INDIRECT EXPENSES, LAWSUITS COST THIS ECONOMY \$300 BILLION DOLLARS A YEAR. // IT'S TIME FOR REFORM -- TIME TO REPLACE THE EXPLOSION OF MINDLESS LITIGATION WITH A LITTLE COMMON SENSE. //

*doctors  
little league*

WE'VE GOT TO KEEP OUR NATION ON THE CUTTING EDGE OF NEW TECHNOLOGIES. THAT'S WHY I'VE PROPOSED RECORD FEDERAL FUNDING FOR R&D -- IT'S WHY WE BACK INITIATIVES LIKE ONE I SIGNED AT THE WHITE HOUSE LAST OCTOBER, TO CREATE A BATTERY CONSORTIUM TO PIONEER A NEW GENERATION OF ELECTRIC CARS. // IN THE GLOBAL COMPETITION, IT'S GOING TO COME DOWN TO THIS: THE BEST WAY TO MASTER NEW MARKETS -- IS TO MAKE THEM.

IF WE WANT TO BE MORE COMPETITIVE, WE'VE GOT TO ENCOURAGE INVESTMENT. THAT'S WHY I'VE CALLED ON CONGRESS TO PASS MY INVESTMENT TAX ALLOWANCE. AND CONGRESS MUST CUT THE TAX ON CAPITAL GAINS. //

*speed*

WE MUST PROVIDE OUR CHILDREN WITH A 21ST CENTURY EDUCATION -- TODAY. WE WON'T HAVE A FIRST-CLASS ECONOMY WITH SECOND-RATE SCHOOLS. TO HAVE THE BEST ECONOMY YOU HAVE TO HAVE THE BEST EDUCATED WORKFORCE. THAT'S THE IDEA BEHIND MY AMERICA 2000 STRATEGY: OUR PLAN TO REVOLUTIONIZE -- TO LITERALLY RE-INVENT -- AMERICA'S SCHOOLS.

FINALLY, WE'VE GOT TO WORK TO OPEN MARKETS AROUND THE WORLD TO AMERICAN GOODS. // EARLIER THIS YEAR, I TOOK SOME OF THE PEOPLE HERE TODAY WITH ME TO JAPAN. WE ALL TOOK A LITTLE FLACK IN THE PRESS FOR THAT TRIP - - BUT THE FACT IS, THAT TRIP LAID DOWN A MARKER. IT SIGNALLED TO OUR TRADE PARTNERS THAT I AM SERIOUS ABOUT FREE AND FAIR TRADE. LEVEL THE PLAYING FIELD, AND AMERICAN WORKERS AND AMERICAN BUSINESS CAN COMPETE WITH ANYONE. //

WE'LL KEEP PUSHING TO OPEN MARKETS THAT FOR TOO LONG HAVE BEEN CLOSED TO QUALITY AMERICAN GOODS. WE'VE ALREADY SEEN A PAY-OFF: NEW MARKETS FOR AMERICAN IN JAPAN'S COMPUTER, GLASS AND PAPER MARKETS: ALL AS A DIRECT RESULT OF OUR TRIP. AMERICAN ACCESS TO THE JAPANESE GOVERNMENT MAINFRAME COMPUTER MARKET ALONE COULD MEAN AN ADDITIONAL \$5.5 BILLION IN SALES. / WE'VE SEEN POSITIVE STEPS IN THE AUTOMOTIVE INDUSTRY AS WELL. ~~UNDER THE TERMS OF OUR VOLUNTARY AGREEMENT WITH~~ JAPAN, THAT COUNTRY'S AUTO INDUSTRY WILL PURCHASE AN ADDITIONAL TEN BILLION DOLLARS WORTH OF U.S. AUTO PARTS BY 1994. AND THE BENEFITS WON'T SIMPLY FLOW TO THE BIG 3: DETROIT CENTER TOOL REPORTS THAT ITS SALES IN JAPAN WILL JUMP 500 PERCENT THIS YEAR ALONE -- TO 30 MILLION DOLLARS. // THAT TRIP WAS THE BEGINNING OF AN IMPORTANT PROCESS THAT WE ARE GOING TO CONTINUE -- OPENING MARKETS AROUND THE WORLD.

*CRATT Round*


SO FAR TODAY, I'VE TALKED ABOUT MY PLAN -- MY PLAN TO GET THIS ECONOMY GROWING AGAIN AND TO GET THIS COUNTRY READY FOR THE CHALLENGES OF A NEW CENTURY.

SO LET ME REPEAT: HERE'S WHAT I WILL DO -- AND  
I'LL GIVE IT TO YOU STRAIGHT:

I WILL VETO MANDATES THAT PASS THE BUCK TO BUSINESS  
AND HURT COMPETITIVENESS.

I WILL VETO JOB-DESTROYING TAX INCREASES -- AND  
FIGHT FOR JOB-CREATING INCENTIVES.

I WILL FIGHT TO OPEN MARKETS AROUND THE WORLD TO  
AMERICAN PRODUCTS -- AND I WILL FIGHT AGAINST THE  
FORCES OF ISOLATIONISM WHO WANT US TO TURN OUR BACK AND  
RUN FROM THE FUTURE.



THAT'S WHAT I WILL DO -- AND HERE'S WHAT YOU IN THE BUSINESS COMMUNITY MUST DO. IF WE'RE GOING TO WORK TOGETHER TO MAKE AMERICA MORE COMPETITIVE, YOU'VE GOT TO CONTINUE YOUR COMMITMENT TO TRAIN AND RE-TRAIN YOUR WORKERS -- GIVE THEM THE SKILLS THEY'LL NEED TO COPE WITH A CHANGING WORKPLACE. AND TO HELP WORKERS ADJUST TO NEW ECONOMIC CONDITIONS GOVERNMENT CAN HELP TOO. FOR EXAMPLE, LAST WEEK A DEPARTMENT OF LABOR TASK FORCE WAS HERE WORKING WITH REPRESENTATIVES OF THE U.A.W. AND G.M. ON JUST THAT ISSUE.

ALSO, YOU'VE GOT TO CONTINUE TO BUILD ON RECENT PROGRESS THAT HAS LABOR AND MANAGEMENT WORKING AS ALLIES -- NOT ADVERSARIES. NO COMPANY CAN COMPETE WHEN IT'S AT WAR WITH ITSELF. YOU'VE GOT TO FIGHT FOR FOREIGN MARKETS -- MAKE THE COMMITMENT FOR THE LONG-HAUL.

*A long time ago*

I WAS IN BUSINESS. I KNOW WHAT IT'S LIKE TO SWEAT TO MAKE A PAYROLL. TO RUN RISKS. TO SUCCEED -- AND TO OVERCOME SETBACKS. WE ALL KNOW HOW TO MEASURE PERFORMANCE: PERFORMANCE MEASURED IS PERFORMANCE IMPROVED: PEOPLE BACK AT WORK. ASSEMBLY LINES UP AND RUNNING. PUTTING OUT A SUPERIOR PRODUCT -- AND BRINGING IN A PROFIT. //

I WANT TO CLOSE TODAY BY SAYING, I KNOW WHEN I DECIDED TO COME HERE I WAS GOING TO A GREAT CITY AND STATE THAT'S EXPERIENCED HARD TIMES. BUT I CAME HERE FOR THAT VERY REASON: TO LOOK YOU IN THE EYE, AND TELL YOU WHAT WE WILL DO TO TURN THIS ECONOMY AROUND. // I HAVE TOO MUCH RESPECT FOR THE PEOPLE IN THIS ROOM -- TOO MUCH RESPECT FOR THE MEN AND WOMEN WHO WORK THE ASSEMBLY LINES -- TO EXPECT YOU TO SETTLE FOR ANYTHING SHORT OF THE TRUTH.

*win*  
YES, IT'S AN ELECTION YEAR. WHEN THE RHETORIC HEATS UP, IT GETS TOUGH SEPARATING FACT FROM FICTION. WELL, I CAN TELL YOU THIS: ALL THE QUICK-FIX SCHEMES IN THE WORLD WON'T GET US WHERE WE WANT TO GO. THE PLAN I'VE LAID OUT TODAY WILL HELP AMERICA TAKE ON THE TOUGHEST COMPETITION -- AND WIN.

*ready shell*

SO LET'S NOT WRING OUR HANDS -- OR TRY TO RUN AWAY  
FROM THE CHALLENGE. LET'S DO WHAT AMERICA ALWAYS DOES  
WHEN CHALLENGE COMES OUR WAY: LET'S CHANGE AMERICA --  
FOR THE BETTER. //

*if you*

*if we*

THANK YOU -- AND MAY GOD BLESS THE UNITED STATES OF  
AMERICA.

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DETROIT ECONOMIC CLUB  
DETROIT, MICHIGAN  
MARCH 13, 1992  
12:45 A.M.

MY THANKS FOR THAT WARM MICHIGAN WELCOME.

FOUR SHORT DAYS FROM NOW, MICHIGAN FACES A CHOICE.  
YOU WILL MAKE A DECISION THAT WILL SHAPE THE WAY THIS  
COUNTRY COPES WITH THE BIG ISSUES: THE ISSUES THAT  
SHAPE THE WORLD -- AND THE VALUES CLOSE TO HOME: I'M  
TALKING ABOUT JOBS, ABOUT FAMILY -- ABOUT PEACE: FOR  
OURSELVES -- FOR OUR CHILDREN.

RIGHT NOW, THE MOST IMPORTANT ISSUE FACING MICHIGAN AND THIS COUNTRY IS THE ECONOMY. IT'S MY NUMBER ONE PRIORITY: JOBS. MANUFACTURING HAS BEEN THE GREATEST GENERATOR OF GOOD JOBS IN AMERICAN HISTORY. TAKE A LOOK AT THE AUTO INDUSTRY. I'M SPEAKING NOT SIMPLY ABOUT THE JOBS CREATED IN THE INDUSTRY ITSELF -- BUT THE THOUSANDS UPON THOUSANDS OF JOBS IN SUPPLIER AND SPIN-OFF BUSINESSES. MANUFACTURING IS AND ALWAYS WILL BE THE BASIC STRENGTH OF THIS COUNTRY'S ECONOMY. NO NATION WILL EVER LEAD THE WORLD WITHOUT A STRONG MANUFACTURING BASE.

50 YEARS AGO, THIS GREAT STATE OF MICHIGAN EARNED THE PROUD TITLE OF ARSENAL OF DEMOCRACY. INDUSTRIES CENTERED HERE HAD NO PEERS AND PRACTICALLY NO COMPETITORS -- ANYWHERE ON THE PLANET. TODAY, THINGS ARE DIFFERENT. MICHIGAN'S MANUFACTURERS ARE NOT JUST COMPETING WITH A FEW OUT-GUNNED ADVERSARIES. THEY ARE UP AGAINST TOUGH, HARD-NOSED COMPETITORS IN PRACTICALLY EVERY DEVELOPED COUNTRY.

**TODAY, THE NEW REALITY IS SIMPLY THIS: IF WE WANT TO SUCCEED ECONOMICALLY AT HOME -- WE'VE GOT TO COMPETE ECONOMICALLY ABROAD.**

**LET'S NOT OVERLOOK SOME OF THE FUNDAMENTALS THAT PROVE WE'RE POISED FOR A NATIONAL RECOVERY: INTEREST RATES ARE LOWER NOW THAN AT ANY POINT IN THE PAST TEN YEARS. THE PRIME RATE IS NOW 6.5%. INFLATION IS UNDER CONTROL. MONTHLY RETAIL SALES ARE UP 1.3% IN FEBRUARY -- ON TOP OF A 2.1% RISE IN JANUARY. HOUSING STARTS ARE UP 5.5% SINCE DECEMBER. / FOR ALL OUR TROUBLES, AMERICA IS STILL THE WORLD'S DOMINANT ECONOMY: THE ONE MARKET OTHER COUNTRIES WANT TO CRACK -- THE ECONOMY PRODUCING GOODS IN DEMAND IN EVERY COUNTRY, EVERY CORNER OF THE WORLD. //**

RIGHT NOW, NATION-WIDE, WE'RE IN THE MIDDLE OF A RECORD EXPORT BOOM -- ONE THAT'S DRIVEN THE TRADE DEFICIT DOWN 35% IN THE PAST YEAR ALONE. NOT ONLY DO WE EXPORT MORE THAN ANY OTHER COUNTRY IN THE WORLD TODAY -- BUT WE'VE BEEN GAINING GROUND, NOT LOSING IT, TO OUR COMPETITORS. AMERICAN EXPORTS HAVE DOUBLED SINCE 1985. I FULLY REALIZE THIS IS NOT TRUE FOR OUR AUTO INDUSTRY, BUT THESE ARE FUNDAMENTALS WE CAN BUILD ON -- THE RAW MATERIAL TO MANUFACTURE THE SOLID, STRONG RECOVERY WE KNOW WE'LL SEE.

IT LOOKS DIFFERENT HERE IN DETROIT. MICHIGAN HAS BEEN THROUGH SOME TOUGH TIMES. THERE'S NO SENSE PRETENDING THINGS ARE BETTER THAN THEY ARE. BUT THERE'S ALSO NO SENSE UNDERESTIMATING OUR STRENGTHS OR EXAGGERATING OUR WEAKNESSES. THE SIMPLE FACT IS, WE FACE A FUTURE WITH BOTH CHALLENGES AND OPPORTUNITIES. IN THE PAST THREE YEARS, THE UNITED STATES HAS HELPED BRING ABOUT CHANGE THAT HAS RESHAPED OUR WORLD FOR THE BETTER. WE'RE THE COUNTRY THAT WON THE COLD WAR -- THAT DREW A LINE IN THE SAND AND DROVE A DICTATOR OUT OF KUWAIT. WE'RE THE COUNTRY THAT MADE SACRIFICES FOR FREEDOM IN THE FOUR CORNERS OF THE WORLD -- AND BECAUSE WE DID, RIGHT HERE AT HOME, OUR CHILDREN SLEEP MORE SAFELY.

YES, AMERICAN LEADERSHIP HAS CHANGED THE WORLD -- AND NOW WE WILL CHANGE AMERICA. //

I DON'T THINK THERE'S ANYONE IN THIS ROOM WHO DOESN'T BELIEVE THAT THE KEY TO AMERICA'S ECONOMIC FUTURE IS OUR ABILITY TO LEAD -- TO SUCCEED IN THE WORLD ECONOMICALLY, AS WE HAVE POLITICALLY. THAT'S WHAT MY ECONOMIC PLAN IS ALL ABOUT.

BACK IN JANUARY, I SENT CONGRESS A SPECIFIC SHORT-TERM ACTION PLAN TO STIMULATE OUR ECONOMY -- TO SPARK A RECOVERY AS EARLY AS THIS SPRING: A RECOVERY THAT WOULD INCREASE AUTO SALES AND CREATE JOBS. WHEN I SENT THAT PLAN TO CAPITOL HILL -- I SET A DEADLINE. ONE SHORT WEEK FROM NOW: MARCH 20. YOU KNOW THE STORY. CONGRESS BARELY GAVE MY PLAN A GLANCE BEFORE THEY GOT BUSY ON THEIR OWN AGENDA: A \$90 BILLION DOLLAR TAX INCREASE THAT WILL THREATEN OUR RECOVERY -- AND COST US JOBS. YOU CAN COUNT ON THIS: IF THE DEMOCRATS SEND ME THAT PLAN -- THEY CAN GET READY FOR A VETO, THE MINUTE IT HITS MY DESK. //

MY PLAN WILL MAKE AMERICA MORE COMPETITIVE. IT INCLUDES SEVEN THINGS WE'VE GOT TO ACCOMPLISH TO ENSURE A STRONG JOB MARKET FOR AMERICA AND FOR THE AUTOMOTIVE INDUSTRY.

WE'VE GOT TO REDUCE GOVERNMENT SPENDING -- AND DRAW THE LINE AGAINST NEW TAXES. DEFICIT SPENDING DRIES UP SOURCES OF SAVINGS THE PRIVATE SECTOR NEEDS TO INVEST, TO GROW AND TO CREATE NEW JOBS.

WE'VE GOT TO PUT AN END TO EXCESSIVE GOVERNMENT REGULATION. OUR COMPANIES CAN'T COMPETE IF THE GOVERNMENT CHOKES THEM IN RED TAPE. WE'VE GOT TO STOP COUNTER-PRODUCTIVE REGULATIONS THAT CRIPPLE YOUR FREEDOM OF ACTION AND COST THIS COUNTRY JOBS. I'VE ORDERED A 90-DAY REVIEW OF ALL NEW REGULATION WITH THIS AIM IN MIND: WHATEVER CONTRIBUTES TO ECONOMIC GROWTH GOES FORWARD. WHATEVER STIFLES GROWTH GETS SCRAPPED.

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WE'RE AT MIDPOINT IN THAT REVIEW. BUT EVEN NOW, YOU CAN SEE THE RESULTS -- THE SHEER VOLUME OF NEW RULES AND REGULATIONS IS DOWN TO 25 A WEEK, FROM 6 TIMES THAT AMOUNT JUST ONE YEAR AGO.

ALREADY, WE'VE ANNOUNCED REGULATORY RELIEF TO BENEFIT SECTORS OF OUR ECONOMY FROM BIOTECH TO ENERGY. WE'RE LOOKING NOW FOR CREATIVE, NEW WAYS TO USE REGULATIONS TO CLEAN UP OUR ENVIRONMENT. //

TIMES HAVE CHANGED SINCE THE DAY 20 YEARS AGO WHEN CAFE STANDARDS CAME INTO EXISTENCE. WE NOW KNOW THAT CAFE CAN COST JOBS -- AND EVEN LIVES -- ON THE HIGHWAY. RIGHT NOW, THROUGH MY DEPARTMENT OF TRANSPORTATION, I'VE BEEN WORKING WITH THE AUTO INDUSTRY AND THE UAW TO FIGHT IRRESPONSIBLE LEGISLATION. I WILL NOT SIGN CAFE LEGISLATION THAT WILL DESTROY THE AUTO INDUSTRY AND COST AMERICAN JOBS. //

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IF WE WANT TO BE MORE COMPETITIVE, WE'VE GOT TO ENCOURAGE INVESTMENT. THAT'S WHY I'VE CALLED ON CONGRESS TO PASS MY INVESTMENT TAX ALLOWANCE. AND CONGRESS MUST CUT THE TAX ON CAPITAL GAINS. //

WE MUST PROVIDE OUR CHILDREN WITH A 21ST CENTURY EDUCATION -- TODAY. WE WON'T HAVE A FIRST-CLASS ECONOMY WITH SECOND-RATE SCHOOLS. THAT'S THE IDEA BEHIND MY AMERICA 2000 STRATEGY: OUR PLAN TO REVOLUTIONIZE -- TO LITERALLY RE-INVENT -- AMERICA'S SCHOOLS.

FINALLY, WE'VE GOT TO WORK TO OPEN MARKETS AROUND THE WORLD TO AMERICAN GOODS. // EARLIER THIS YEAR, I TOOK SOME OF THE PEOPLE HERE TODAY WITH ME TO JAPAN. WE ALL TOOK A LITTLE FLACK IN THE PRESS FOR THAT TRIP - - BUT THE FACT IS, THAT TRIP LAID DOWN A MARKER. IT SIGNALLED TO OUR TRADE PARTNERS THAT I AM SERIOUS ABOUT FREE AND FAIR TRADE. LEVEL THE PLAYING FIELD, AND AMERICAN WORKERS AND AMERICAN BUSINESS CAN COMPETE WITH ANYONE. //

WE'LL KEEP PUSHING TO OPEN MARKETS THAT FOR TOO LONG HAVE BEEN CLOSED TO QUALITY AMERICAN GOODS. WE'VE ALREADY SEEN A PAY-OFF: NEW MARKETS FOR AMERICAN IN JAPAN'S COMPUTER, GLASS AND PAPER MARKET: ALL AS A DIRECT RESULT OF OUR TRIP. AMERICAN ACCESS TO THE JAPANESE GOVERNMENT MAINFRAME COMPUTER MARKET ALONE COULD MEAN AN ADDITIONAL \$5.5 BILLION IN SALES. / WE'VE SEEN POSITIVE STEPS IN THE AUTOMOTIVE INDUSTRY AS WELL. UNDER THE TERMS OF OUR VOLUNTARY AGREEMENT WITH JAPAN, THAT COUNTRY'S AUTO INDUSTRY WILL PURCHASE AN ADDITIONAL TEN BILLION DOLLARS WORTH OF U.S. AUTO PARTS BY 1994. AND THE BENEFITS WON'T SIMPLY FLOW TO THE BIG 3: DETROIT CENTER TOOL REPORTS THAT ITS SALES IN JAPAN WILL JUMP 500 PERCENT THIS YEAR ALONE -- TO 30 MILLION DOLLARS. //

SO FAR TODAY, I'VE TALKED ABOUT MY PLAN -- MY PLAN TO GET THIS ECONOMY GROWING AGAIN AND TO GET THIS COUNTRY READY FOR THE CHALLENGES OF A NEW CENTURY.

SO LET ME REPEAT: HERE'S WHAT I CAN DO -- AND I'LL  
GIVE IT TO YOU STRAIGHT:

I WILL VETO MANDATES THAT PASS THE BUCK TO BUSINESS  
AND HURT COMPETITIVENESS.

I WILL VETO JOB-DESTROYING TAX INCREASES -- AND  
FIGHT FOR JOB-CREATING INCENTIVES.

I WILL FIGHT TO OPEN MARKETS AROUND THE WORLD TO  
AMERICAN PRODUCTS -- AND I WILL FIGHT AGAINST THE  
FORCES OF ISOLATIONISM WHO WANT US TO TURN OUR BACK AND  
RUN FROM THE FUTURE.

THAT'S WHAT I WILL DO -- AND HERE'S WHAT YOU IN THE BUSINESS COMMUNITY MUST DO. BUT IF WE'RE GOING TO WORK TOGETHER TO MAKE AMERICA MORE COMPETITIVE, YOU'VE GOT TO CONTINUE YOUR COMMITMENT TO TRAIN AND RE-TRAIN YOUR WORKERS -- GIVE THEM THE SKILLS THEY'LL NEED TO COPE WITH A CHANGING WORKPLACE.

YOU'VE GOT TO CONTINUE TO BUILD ON RECENT PROGRESS THAT HAS LABOR AND MANAGEMENT WORKING AS ALLIES -- NOT ADVERSARIES. NO COMPANY CAN COMPETE WHEN IT'S AT WAR WITH ITSELF.

YOU'VE GOT TO FIGHT FOR FOREIGN MARKETS -- MAKE THE COMMITMENT FOR THE LONG-HAUL.

I WAS IN BUSINESS. I KNOW WHAT IT'S LIKE TO SWEAT TO MAKE A PAYROLL. TO RUN RISKS. TO SUCCEED -- AND TO FAIL. WE ALL KNOW HOW TO MEASURE PERFORMANCE: PERFORMANCE MEASURED IS PERFORMANCE IMPROVED: PEOPLE BACK AT WORK. ASSEMBLY LINES UP AND RUNNING. PUTTING OUT A SUPERIOR PRODUCT -- AND BRINGING IN A PROFIT. //

I WANT TO CLOSE TODAY WITH A FEW WORDS FROM THE HEART. I KNOW SOME FOLKS WERE SURPRISED I'D COME TO DETROIT -- SURPRISED I'D COME TO A CITY AND STATE THAT'S EXPERIENCED SUCH HARD TIMES. BUT I CAME HERE FOR THAT VERY REASON: TO LOOK YOU IN THE EYE, AND TELL YOU WHAT WE WILL DO TO TURN THIS ECONOMY AROUND. // I HAVE TOO MUCH RESPECT FOR THE PEOPLE IN THIS ROOM -- TOO MUCH RESPECT FOR THE MEN AND WOMEN WHO WORK THE ASSEMBLY LINES -- TO EXPECT YOU TO SETTLE FOR ANYTHING SHORT OF THE TRUTH.

YES, IT'S AN ELECTION YEAR. WHEN THE RHETORIC HEATS UP, IT GETS TOUGH SEPARATING FACT FROM FICTION. WELL, I CAN TELL YOU THIS: ALL THE QUICK-FIX SCHEMES IN THE WORLD WON'T GET US WHERE WE WANT TO GO. THE PLAN I'VE LAID OUT TODAY WILL HELP AMERICA TAKE ON THE TOUGHEST COMPETITION -- AND WIN.

SO LET'S NOT WRING OUR HANDS -- OR TRY TO RUN AWAY  
FROM THE CHALLENGE. LET'S DO WHAT AMERICA ALWAYS DOES  
WHEN CHALLENGE COMES OUR WAY: LET'S CHANGE AMERICA --  
FOR THE BETTER. //

THANK YOU -- AND MAY GOD BLESS THE UNITED STATES OF  
AMERICA.

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