

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:** 13637  
**Folder ID Number:** 13637-004

---

**Folder Title:**  
Public Safety Equipment, Inc. - St. Louis 8/27/92 [OA 5811]

---

| Stack:   | Row:      | Section:  | Shelf:   | Position: |
|----------|-----------|-----------|----------|-----------|
| <b>G</b> | <b>26</b> | <b>18</b> | <b>4</b> | <b>3</b>  |

---

PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992, 8:45 A.M.

THANK YOU AND GOOD MORNING. THANK YOU FOR THAT KIND  
INTRODUCTION STEVEN (ROSE). AND LET ME THANK SOME  
OTHER MEMBERS OF THE HOST COMMITTEE: MICHEAL LATTA,  
EDWARD RYAN, AND ANDREW SMITH. I'M VERY PLEASED THAT  
THE GOVERNOR OF MISSOURI COULD JOIN US THIS MORNING --  
THANK YOU, JOHN (ASHCROFT).

((THIS IS GREAT. LOOK AT THE EQUIPMENT YOU HAVE  
HERE -- LIGHT BARS, BEACONS -- YOU'VE GIVEN NEW MEANING  
TO A THOUSAND POINTS OF LIGHT.))

OVER THE PAST THREE AND A HALF YEARS WE HAVE SEEN A  
WORLD TRANSFORMED. THE COLD WAR IS OVER. AND NOW THE  
DEFINING CHALLENGE OF THE '90'S IS TO WIN THE  
COMPETITION OF THE NEW GLOBAL ECONOMY -- TO WIN THE  
PEACE.

OUR GOAL IS SIMPLE AND PROFOUND: WE MUST BE A MILITARY SUPERPOWER, AN ECONOMIC SUPERPOWER AND AN EXPORT SUPERPOWER.

IN THIS ELECTION, YOU'LL HEAR TWO VERSIONS OF HOW TO DO THIS. MY OPPONENTS' ANSWER IS TO LOOK INWARD, AND PROTECT WHAT WE ALREADY HAVE FROM THE CHALLENGES OF THIS NEW WORLD. MY APPROACH IS TO LOOK FORWARD -- TO OPEN NEW MARKETS, PREPARE OUR PEOPLE TO COMPETE, TO RESTORE OUR SOCIAL FABRIC -- TO SAVE AND INVEST, SO THAT WE CAN WIN.

I'VE COME TO ST. LOUIS TODAY NOT LEAD A RALLY BUT TO DELIVER A SERIOUS MESSAGE: I WANT TO POINT OUT THE SHARP DIFFERENCE BETWEEN GOVERNOR CLINTON AND ME ON THE CRUCIAL ISSUES OF INVESTMENT AND OPEN TRADE. MY POLICIES ENCOURAGE BOTH -- BECAUSE MY EXPERIENCE IN BUSINESS AND FOREIGN AFFAIRS HAS SHOWN ME THAT TRADE AND INVESTMENT CREATE JOBS.

IN CONTRAST, MY OPPONENT AND THE DEMOCRATIC CONGRESS WANT TO TAX BOTH TRADE AND INVESTMENT. BUT COMMON SENSE TELLS US THAT IF YOU TAX SOMETHING, YOU GET LESS OF IT. TAXES STIFLE GROWTH -- CHASE AWAY BUSINESS AND DESTROY JOBS.

I KNOW MY OPPONENT HAS LOTS OF SLOGANS AND POLICY BUZZWORDS THAT SOUND APPEALING WHEN YOU FIRST HEAR THEM -- BUT AMERICA CAN'T AFFORD THEM. THERE'S A DIFFERENCE BETWEEN SOUND BITES AND SOUND POLICY. TALK IS CHEAP -- UNTIL YOU GET THE BILL.

P.S.E. IS AN EXAMPLE OF WHERE I THINK AMERICA SHOULD GO -- AND HOW WE SHOULD GET THERE. NOT SO LONG AGO COMPANIES LIKE P.S.E. COULD BE SATISFIED WITH A NATIONAL MARKET -- SELL YOUR GOODS IN THE FIFTY STATES AND LEAVE IT AT THAT.

THAT'S NO LONGER GOOD ENOUGH. SO A FEW YEARS AGO, YOU DECIDED TO TAKE ON THE WORLD. I'M TOLD THAT NOW 35 PERCENT OF WHAT YOU MAKE IS SOLD OUTSIDE OUR BORDERS, IN 66 DIFFERENT COUNTRIES. TODAY YOUR LIGHT BARS AND SIRENS HELP SAVE LIVES NOT ONLY ON THE STREETS OF DETROIT AND PEORIA, BUT IN ISRAEL, HONG KONG AND SPAIN.

((AS LONG AS YOU'RE SHIPPING SO MUCH STUFF ABROAD -  
- YOU MIGHT AS WELL CHANGE YOUR NAME TO U - P - S -  
E.))

YOUR STORY IS A PARABLE FOR OUR NATION'S ECONOMIC FUTURE. YOU'VE TAKEN THE CHALLENGES OF FOREIGN COMPETITION AND RESHAPED THEM AS OPPORTUNITIES -- MADE YOUR NAME A STANDARD OF EXCELLENCE -- AND YOU SHOULD BE PROUD OF IT.

LET ME TELL YOU HOW I FIRST LEARNED ABOUT COMPETING  
IN THE WORLD.

I LEARNED MY ECONOMICS ON THE OILFIELDS OF WEST  
TEXAS. I PAINTED RIGS FOR A WHILE, THEN DROVE  
THOUSANDS OF MILES THROUGH FIELDS IN TEXAS, NEW MEXICO,  
AND CALIFORNIA. AND ALL AROUND ME IN THOSE DAYS I SAW  
TOWNS AND BUSINESSES RISE UP FROM NOTHING, FOR A SIMPLE  
REASON: THE WORLD WANTED WHAT TEXAS HAD TO OFFER --  
COTTON AND CATTLE AND CRUDE.

LATER ON, WHEN I STARTED MY OWN BUSINESS, I SHOPPED  
FOR INVESTORS ON THE WEST COAST, ON THE EAST COAST, BUT  
I COULDN'T STOP THERE. I TRAVELED THE WORLD -- TO  
EUROPE AND THE FAR EAST. EVERY DOLLAR WE COULD BRING  
INTO THIS COUNTRY WAS A DOLLAR THAT WENT TO EXPAND OUR  
COMPANY, CREATE JOBS IN OUR COMMUNITY.

I BUILT ON THAT BUSINESS EXPERIENCE WHEN I GOT INVOLVED IN FOREIGN RELATIONS. I SAW AGAIN HOW IMPORTANT AMERICA IS TO THE WORLD, AND HOW IMPORTANT THE WORLD IS TO AMERICA -- NOT JUST FOR NATIONAL SECURITY IN THE TRADITIONAL SENSE, BUT FOR OUR ECONOMIC SECURITY, FOR CREATING JOBS, RIGHT HERE AT HOME.

WE'VE HELD STEADY TO THIS VISION FOR THREE YEARS NOW, AND WE'VE MADE SOLID PROGRESS. AS WE KNOCK DOWN TRADE BARRIERS, AMERICAN COMPANIES ARE RUSHING TO MEET THE DEMAND. ALL AROUND THE WORLD -- MORE AND MORE PEOPLE ARE BUYING AMERICAN.

SINCE I TOOK OFFICE, EXPORTS HAVE INCREASED BY ONE-THIRD. AMERICA IS THE GREATEST EXPORTER THE WORLD HAS EVER SEEN -- \$422 BILLION DOLLARS OF EXPORTS LAST YEAR ALONE.

LET ME BRING IT CLOSE TO HOME. IN MISSOURI,  
EXPORTS ARE UP 37 PERCENT OVER THE LAST THREE YEARS --  
\$3.8 BILLION WORTH OF GOODS SHIPPED TO 151 COUNTRIES  
AROUND THE WORLD.

IT LOOKS LIKE THE "SHOW ME" STATE IS SHOWING THE  
WORLD.

THE NUMBERS ARE IMPRESSIVE, BUT WHEN YOU DIG BEHIND  
THE MATH, YOU FIND THE REAL BENEFIT OF THE NEW WORLD  
ECONOMY -- IN A WORD: IT'S JOBS. HERE IN MISSOURI,  
150,000 JOBS ARE SUPPORTED BY FOREIGN TRADE. ACROSS  
THE COUNTRY, MORE THAN 7 MILLION AMERICANS OWE THEIR  
JOBS TO EXPORTS.

EVERYONE RECOGNIZES THAT THE WORLD IS MOVING AT A FASTER CLIP, BUT I SEE SOMETHING MORE: IT'S MOVING OUR WAY. RIGHT NOW WE'RE BUILDING ON THE EXPORT SUCCESS OF THE LAST THREE YEARS. TWO WEEKS AGO WE ENTERED A NEW ERA OF OPEN TRADE. ALONG WITH MEXICO AND CANADA, WE CONCLUDED TALKS ON THE NORTH AMERICAN FREE TRADE AGREEMENT -- NAFTA -- KNOCKING DOWN TARIFFS AND CREATING ONE OF THE LARGEST FREE-TRADE AREAS IN THE WORLD -- AN INTEGRATED ECONOMY WORTH MORE THAN \$6 TRILLION DOLLARS.

HERE IN MISSOURI, YOU ALREADY EXPORT \$2 BILLION WORTH OF GOODS TO MEXICO AND CANADA. THAT'S A LOT OF PAYCHECKS, BUT OUR NEW AGREEMENT WILL CREATE EVEN MORE JOBS, AND MAKE US EVEN STRONGER IN THE RACE WITH OUR EUROPEAN AND ASIAN COMPETITORS.

NAFTA IS A SOLID AGREEMENT. BUT RIGHT NOW, BEFORE THE INK IS EVEN DRY, THE DEMOCRATIC LEADERSHIP IN CONGRESS IS CALLING FOR US TO SLAP A TARIFF ON ANY NEW TRADE THAT COMES FROM NAFTA.

THINK ABOUT THAT FOR A MINUTE. AFTER LONG AND TOUGH NEGOTIATIONS WITH OUR TWO CLOSEST TRADING PARTNERS, WE'VE AGREED TO END TARIFFS. THE PROTECTIONIST DEMOCRATS SAY: "OKAY, FINE. BUT FIRST YOU HAVE TO PUT ON A NEW TARIFF."

IN OTHER WORDS, THEY THINK THE WAY TO ELIMINATE TRADE BARRIERS IS BUILD A NEW TRADE BARRIER.

THIS NEW TARIFF -- THIS "TRANSACTION TAX," AS THEY CALL IT -- WILL MAKE IT MORE EXPENSIVE FOR OUR BUSINESSES TO COMPETE IN THE WORLD ECONOMY -- AND IT WILL DISCOURAGE THE CREATION OF NEW JOBS FOR YOU AND YOUR NEIGHBORS. IT TURNS THE AGREEMENT ON ITS HEAD. THEY MAY THINK THAT'S GOOD POLITICS, BUT IT'S LOUSY POLICY.

WHAT ABOUT GOVERNOR CLINTON? WHERE DOES HE STAND? WELL, JUST LAST WEEK, HE WAS ASKED ABOUT OUR NEW TRADE AGREEMENT. HE HEMMED AND HAWED, AND AT LAST HE SAID: "WHEN I HAVE A DEFINITIVE OPINION, I'LL SAY SO."

((I HOPE NOBODY'S PLANNING ON HOLDING THEIR BREATH.))

GOVERNOR CLINTON CAN FUDGE ALL HE WANTS, BUT THE DIFFERENCE COULDN'T BE CLEARER -- AND THE DIFFERENCE IS BASED ON TWO VERY DIFFERENT VIEWS OF AMERICA'S FUTURE. MY OPPONENTS SEE US KNOCK DOWN TRADE BARRIERS AND THEY SAY: HOLD EVERYTHING. THEY SEE US OPEN NEW MARKETS FOR AMERICAN GOODS AND THEY SAY: WAIT A MINUTE. MAYBE WE CAN'T COMPETE. MAYBE THE AMERICAN WORKER CAN'T CUT IT. SO LET'S PULL DOWN THE BLINDS, LOCK THE DOORS AND HOPE THE WORLD GOES AWAY.

WELL, LET ME TELL THEM SOMETHING YOU ALREADY KNOW. THE AMERICAN WORKER DOESN'T HAVE TO HIDE FROM ANYBODY. AMERICANS CAN OUTWORK, OUT-THINK, OUT-COMPETE ANYBODY, ANYWHERE, ANYTIME.

THAT'S SOMETHING EVERYONE IN THE WORLD SEEMS TO UNDERSTAND -- EVERYONE BUT THE PROTECTIONIST DEMOCRATS. OVER THE LAST DECADE, WE'VE SEEN A BOOM IN FOREIGN INVESTMENT IN THE UNITED STATES -- BUSINESSES FROM ALL OVER THE WORLD SETTING UP SHOP FROM PORTLAND, OREGON TO PORTLAND, MAINE. THESE INVESTORS FOLLOW A SIMPLE LOGIC: IF YOU WANT THE BEST SCIENCE AND UNIVERSITIES IN THE WORLD, IF YOU WANT THE BEST WORKERS IN THE WORLD, YOU HAVE TO COME TO THE U.S.A. ///

THE RESULT HAS BEEN JOBS: ONE OUT OF EVERY TEN MANUFACTURING WORKERS IN THE UNITED STATES WORKS FOR A COMPANY SUPPORTED BY FOREIGN INVESTMENT. AND THAT'S THE BOTTOM LINE: JOBS FOR AMERICANS, A GROWING ECONOMIC PIE FOR EVERYONE.

NOW, HERE'S ONE ISSUE GOVERNOR CLINTON DOESN'T FUDGE. HE'S PROPOSED TO INCREASE TAXES ON FOREIGN INVESTMENT IN THE UNITED STATES, EVEN THOUGH THOSE COMPANIES EMPLOY A TOTAL OF 4 AND ONE-HALF MILLION AMERICANS.

GOVERNOR CLINTON SAYS HIS TAX INCREASE WILL "CRACK DOWN" ON FOREIGN COMPANIES, BUT HIS CRACK-DOWN IS MORE LIKE AN EVICTION NOTICE. AND WHEN THOSE COMPANIES PACK THEIR BAGS, THEY'LL TAKE THOSE JOBS WITH THEM. //

I'M NOT GOING TO LET THAT HAPPEN. ///

TRAVEL AROUND THIS STATE. GO TO NEW MADRID (MADRID), TALK TO THE 1200 EMPLOYEES AT NORANDA ALUMINUM - - OR TO JOPLIN, TALK TO THE 425 EMPLOYEES OF ATLAS POWDER. GO TO ANY OF THE 244 FOREIGN-OWNED COMPANIES THAT EMPLOY 60,000 WORKERS RIGHT HERE IN MISSOURI. I DON'T THINK YOU'RE GOING TO FIND ANY OF THOSE MISSOURIANS WHINING ABOUT FOREIGN INVESTMENT.

IF GOVERNOR CLINTON'S TAX HIKE HAD BEEN IN EFFECT THESE PAST FEW YEARS, THOSE COMPANIES WOULDN'T BE HERE -- AND THOSE JOBS WOULDN'T HAVE BEEN CREATED FOR MISSOURIANS.

AND IT'S NOT JUST MISSOURI. WHETHER IT'S THE NISSAN PLANT IN SMYRNA, TENNESSEE -- OR THE HONDA PLANT IN MARYSVILLE, OHIO -- GOVERNOR CLINTON'S TAX INCREASE WOULD BE FELT IN EVERY REGION OF EVERY STATE IN THIS COUNTRY.

GOVERNOR CLINTON COULD USE A LESSON IN INTERNATIONAL RELATIONS. IF HE RAISES THIS TAX, OUR FOREIGN COMPETITORS ARE GOING TO SAY: "WHAT'S GOOD FOR THE GOOSE IS GOOD FOR THE GANDER." HIS TAX IS LIKE A GILDED INVITATION SENT TO FOREIGN GOVERNMENTS WHERE U.S. COMPANIES DO BUSINESS. AND THE INVITATION READS: "PLEASE RETALIATE."

HIS TAX WOULD NOT ONLY DESTROY JOBS AND REDUCE INVESTMENT HERE; IT WOULD DO THE SAME THROUGHOUT THE GLOBAL ECONOMY -- CAUSING A WORLDWIDE CONTRACTION. THERE WAS ANOTHER OCCASION WHEN THAT HAPPENED -- RIGHT BEFORE THE GREAT DEPRESSION.

SO THOSE ARE THE FACTS ABOUT GOVERNOR CLINTON'S TAX: IT WILL DESTROY JOBS. IT WILL DISCOURAGE INVESTMENT. AND IT THREATENS TO START AN ECONOMIC WAR JUST AS MARKETS THE WORLD OVER ARE OPENING UP TO AMERICAN PRODUCTS.

WE SHOULD ASK WHY, GIVEN ALL THIS, GOVERNOR CLINTON WOULD EVER PROPOSE SUCH A TAX IN THE FIRST PLACE. I HAVE A HUNCH. TODAY CHANGE IS ACCELERATING, AND CHANGE BREEDS UNEASINESS, SKEPTICISM, EVEN FEAR. AND BY ATTACKING THE BOGEYMAN OF FOREIGN INVESTORS, GOVERNOR CLINTON HOPES TO EXPLOIT THE DARKER IMPULSES OF THIS UNCERTAIN AGE -- FEAR OF THE FUTURE, FEAR OF THE UNKNOWN, FEAR OF FOREIGNERS.

NOW I KNOW GOVERNOR CLINTON'S REPUTATION FOR OPPORTUNISM -- AS THE KIND OF GUY WHO'LL SAY ANYTHING, DO ANYTHING, FOR POLITICAL GAIN. BUT HE SHOULD UNDERSTAND WHAT'S AT STAKE HERE, AND IF HE DOESN'T KNOW, LET ME TELL HIM: THOSE ARE AMERICAN JOBS HE'S PLAYING POLITICS WITH. THOSE ARE AMERICAN WORKERS HE'S PUTTING AT RISK.

THE AMERICAN PEOPLE WON'T BUY IT. THE PROUDEST PEOPLE ON EARTH HAVE NEVER STOOPED TO FEARMONGERS BEFORE, AND WE'RE NOT GOING TO START NOW.

IN TALKING ABOUT AMERICA'S FUTURE IN THE GLOBAL ECONOMY, I MENTIONED MY OWN EXPERIENCE, BECAUSE I WANT YOU TO UNDERSTAND WHY I BELIEVE WHAT I DO ABOUT AMERICA'S ABILITY TO COMPETE. I'VE BUILT A BUSINESS; I'VE DEALT WITH FOREIGN NATIONS; AND I KNOW HOW TO BRING IT TOGETHER -- I KNOW WHAT IT TAKES TO MAKE AMERICA SECURE AND STRONG AT HOME AND ABROAD.

SO YOU SEE, YOUR VOTE WILL MAKE A DIFFERENCE THIS YEAR -- AND NOT ONLY IN THE PRESIDENTIAL ELECTION. WHEN YOU LOOK AT YOUR CANDIDATES FOR CONGRESS, I'D LIKE YOU TO ASK THEM SOMETHING. ASK THEM WHERE THEY STAND ON KEEPING AMERICA AN EXPORT SUPERPOWER -- ON OUR NEW TRADE AGREEMENT -- AND ON GOVERNOR CLINTON'S NEW TAXES ON INVESTMENT AND JOBS.

PLEASE LISTEN TO THEIR ANSWERS CAREFULLY. AND THIS IS IMPORTANT -- PLEASE FOLLOW UP. SOME OF THEM WILL DO MORE FLIP-FLOPS THAN OZZIE SMITH. I'LL GIVE YOU AN EXAMPLE. EARLIER THIS SUMMER, WE LOST A CLOSE BATTLE IN CONGRESS FOR A CONSTITUTIONAL AMENDMENT TO BALANCE THE FEDERAL BUDGET. ONE OF ST. LOUIS'S REPRESENTATIVES -- JOAN HORN -- SIGNED UP AS A CO-SPONSOR OF THE AMENDMENT IN APRIL. THEN, WHEN IT CAME TIME TO VOTE, SHE DID AN OZZIE SMITH. SHE VOTED AGAINST THE AMENDMENT SHE HAD CO-SPONSORED. SO THIS FALL, WHEN YOU ASK REPRESENTATIVE HORN ABOUT THE ISSUES, ASK HER ABOUT THE BALANCED BUDGET AMENDMENT. LET HER KNOW BEFORE SHE LISTENS TO THE DEMOCRATIC LEADERSHIP IN CONGRESS, SHE SHOULD LISTEN TO HER HEART. SHE SHOULD LISTEN TO MISSOURI.

THOSE ARE THE KIND OF CHOICES WE FACE THIS YEAR --  
A CHOICE BETWEEN THE PATRONS OF THE PAST AND THE  
ARCHITECTS OF THE FUTURE. I BELIEVE WE CAN SHAPE OUR  
FUTURE -- NOT BY TAXING TRADE BUT BY OPENING MARKETS;  
NOT BY SCARING OFF INVESTMENT BUT BY USING IT TO CREATE  
JOBS FOR OURSELVES AND OUR KIDS.

I HAVE FAITH IN AMERICA'S FUTURE -- BECAUSE I HAVE  
FAITH IN THE AMERICAN PEOPLE. IT'S THE SAME FAITH THAT  
BROUGHT ME OUT TO TEXAS MORE THAN 40 YEARS AGO -- THE  
SAME FAITH THAT BROUGHT ME INTO PUBLIC LIFE -- THE SAME  
FAITH THAT HAS LED ME TO FIGHT FOR OPEN MARKETS --  
BECAUSE I KNOW THAT NO CHALLENGE IS TOO GREAT FOR THE  
HEARTS AND HANDS AND MINDS OF AMERICA.

THANK YOU AND GOD BLESS YOU.

# # #

PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992, 8:45 A.M.

THANK YOU AND GOOD MORNING. THANK YOU FOR THAT KIND  
INTRODUCTION STEVEN (ROSE). AND LET ME THANK SOME  
OTHER MEMBERS OF THE HOST COMMITTEE: MICHEAL LATTA,  
EDWARD RYAN, AND ANDREW SMITH. I'M VERY PLEASED THAT  
THE GOVERNOR OF MISSOURI COULD JOIN US THIS MORNING --  
THANK YOU, JOHN (ASHCROFT).

((THIS IS GREAT. LOOK AT THE EQUIPMENT YOU HAVE  
HERE -- LIGHT BARS, BEACONS -- YOU'VE GIVEN NEW MEANING  
TO A THOUSAND POINTS OF LIGHT.))

OVER THE PAST THREE AND A HALF YEARS WE HAVE SEEN A  
WORLD TRANSFORMED. THE COLD WAR IS OVER. AND NOW THE  
DEFINING CHALLENGE OF THE '90'S IS TO WIN THE  
COMPETITION OF THE NEW GLOBAL ECONOMY -- TO WIN THE  
PEACE.

OUR GOAL IS SIMPLE AND PROFOUND: WE MUST BE A MILITARY SUPERPOWER, AN ECONOMIC SUPERPOWER AND AN EXPORT SUPERPOWER.

IN THIS ELECTION, YOU'LL HEAR TWO VERSIONS OF HOW TO DO THIS. MY OPPONENTS' ANSWER IS TO LOOK INWARD, AND PROTECT WHAT WE ALREADY HAVE FROM THE CHALLENGES OF THIS NEW WORLD. MY APPROACH IS TO LOOK FORWARD -- TO OPEN NEW MARKETS, PREPARE OUR PEOPLE TO COMPETE, TO RESTORE OUR SOCIAL FABRIC -- TO SAVE AND INVEST, SO THAT WE CAN WIN.

I'VE COME TO ST. LOUIS TODAY NOT LEAD A RALLY BUT TO DELIVER A SERIOUS MESSAGE: I WANT TO POINT OUT THE SHARP DIFFERENCE BETWEEN GOVERNOR CLINTON AND ME ON THE CRUCIAL ISSUES OF INVESTMENT AND OPEN TRADE. MY POLICIES ENCOURAGE BOTH -- BECAUSE MY EXPERIENCE IN BUSINESS AND FOREIGN AFFAIRS HAS SHOWN ME THAT TRADE AND INVESTMENT CREATE JOBS.

IN CONTRAST, MY OPPONENT AND THE DEMOCRATIC CONGRESS WANT TO TAX BOTH TRADE AND INVESTMENT. BUT COMMON SENSE TELLS US THAT IF YOU TAX SOMETHING, YOU GET LESS OF IT. TAXES STIFLE GROWTH -- CHASE AWAY BUSINESS AND DESTROY JOBS.

I KNOW MY OPPONENT HAS LOTS OF SLOGANS AND POLICY BUZZWORDS THAT SOUND APPEALING WHEN YOU FIRST HEAR THEM -- BUT AMERICA CAN'T AFFORD THEM. THERE'S A DIFFERENCE BETWEEN SOUND BITES AND SOUND POLICY. TALK IS CHEAP -- UNTIL YOU GET THE BILL.

P.S.E. IS AN EXAMPLE OF WHERE I THINK AMERICA SHOULD GO -- AND HOW WE SHOULD GET THERE. NOT SO LONG AGO COMPANIES LIKE P.S.E. COULD BE SATISFIED WITH A NATIONAL MARKET -- SELL YOUR GOODS IN THE FIFTY STATES AND LEAVE IT AT THAT.

THAT'S NO LONGER GOOD ENOUGH. SO A FEW YEARS AGO, YOU DECIDED TO TAKE ON THE WORLD. I'M TOLD THAT NOW 35 PERCENT OF WHAT YOU MAKE IS SOLD OUTSIDE OUR BORDERS, IN ~~66~~<sup>49</sup> DIFFERENT COUNTRIES. TODAY YOUR LIGHT BARS AND SIRENS HELP SAVE LIVES NOT ONLY ON THE STREETS OF DETROIT AND PEORIA, BUT IN ISRAEL, HONG KONG AND SPAIN.

((AS LONG AS YOU'RE SHIPPING SO MUCH STUFF ABROAD -  
- YOU MIGHT AS WELL CHANGE YOUR NAME TO U - P - S -  
E.))

YOUR STORY IS A PARABLE FOR OUR NATION'S ECONOMIC FUTURE. YOU'VE TAKEN THE CHALLENGES OF FOREIGN COMPETITION AND RESHAPED THEM AS OPPORTUNITIES -- MADE YOUR NAME A STANDARD OF EXCELLENCE -- AND YOU SHOULD BE PROUD OF IT.

LET ME TELL YOU HOW I FIRST LEARNED ABOUT COMPETING  
IN THE WORLD.

I LEARNED MY ECONOMICS ON THE OILFIELDS OF WEST  
TEXAS. I PAINTED RIGS FOR A WHILE, THEN DROVE  
THOUSANDS OF MILES THROUGH FIELDS IN TEXAS, NEW MEXICO,  
AND CALIFORNIA. AND ALL AROUND ME IN THOSE DAYS I SAW  
TOWNS AND BUSINESSES RISE UP FROM NOTHING, FOR A SIMPLE  
REASON: THE WORLD WANTED WHAT TEXAS HAD TO OFFER --  
COTTON AND CATTLE AND CRUDE.

LATER ON, WHEN I STARTED MY OWN BUSINESS, I SHOPPED  
FOR INVESTORS ON THE WEST COAST, ON THE EAST COAST, BUT  
I COULDN'T STOP THERE. I TRAVELED THE WORLD -- TO  
EUROPE AND THE FAR EAST. EVERY DOLLAR WE COULD BRING  
INTO THIS COUNTRY WAS A DOLLAR THAT WENT TO EXPAND OUR  
COMPANY, CREATE JOBS IN OUR COMMUNITY.

I BUILT ON THAT BUSINESS EXPERIENCE WHEN I GOT INVOLVED IN FOREIGN RELATIONS. I SAW AGAIN HOW IMPORTANT AMERICA IS TO THE WORLD, AND HOW IMPORTANT THE WORLD IS TO AMERICA -- NOT JUST FOR NATIONAL SECURITY IN THE TRADITIONAL SENSE, BUT FOR OUR ECONOMIC SECURITY, FOR CREATING JOBS, RIGHT HERE AT HOME.

WE'VE HELD STEADY TO THIS VISION FOR THREE YEARS NOW, AND WE'VE MADE SOLID PROGRESS. AS WE KNOCK DOWN TRADE BARRIERS, AMERICAN COMPANIES ARE RUSHING TO MEET THE DEMAND. ALL AROUND THE WORLD -- MORE AND MORE PEOPLE ARE BUYING AMERICAN.

SINCE I TOOK OFFICE, EXPORTS HAVE INCREASED BY ONE-THIRD. AMERICA IS THE GREATEST EXPORTER THE WORLD HAS EVER SEEN -- \$422 BILLION DOLLARS OF EXPORTS LAST YEAR ALONE.

LET ME BRING IT CLOSE TO HOME. IN MISSOURI,  
EXPORTS ARE UP 37 PERCENT OVER THE LAST THREE YEARS --  
\$3.8 BILLION WORTH OF GOODS SHIPPED TO 151 COUNTRIES  
AROUND THE WORLD.

IT LOOKS LIKE THE "SHOW ME" STATE IS SHOWING THE  
WORLD.

THE NUMBERS ARE IMPRESSIVE, BUT WHEN YOU DIG BEHIND  
THE MATH, YOU FIND THE REAL BENEFIT OF THE NEW WORLD  
ECONOMY -- IN A WORD: IT'S JOBS. HERE IN MISSOURI,  
150,000 JOBS ARE SUPPORTED BY FOREIGN TRADE. ACROSS  
THE COUNTRY, MORE THAN 7 MILLION AMERICANS OWE THEIR  
JOBS TO EXPORTS.

EVERYONE RECOGNIZES THAT THE WORLD IS MOVING AT A FASTER CLIP, BUT I SEE SOMETHING MORE: IT'S MOVING OUR WAY. RIGHT NOW WE'RE BUILDING ON THE EXPORT SUCCESS OF THE LAST THREE YEARS. TWO WEEKS AGO WE ENTERED A NEW ERA OF OPEN TRADE. ALONG WITH MEXICO AND CANADA, WE CONCLUDED TALKS ON THE NORTH AMERICAN FREE TRADE AGREEMENT -- NAFTA -- KNOCKING DOWN TARIFFS AND CREATING ONE OF THE LARGEST FREE-TRADE AREAS IN THE WORLD -- AN INTEGRATED ECONOMY WORTH MORE THAN \$6 TRILLION DOLLARS.

HERE IN MISSOURI, YOU ALREADY EXPORT \$2 BILLION WORTH OF GOODS TO MEXICO AND CANADA. THAT'S A LOT OF PAYCHECKS, BUT OUR NEW AGREEMENT WILL CREATE EVEN MORE JOBS, AND MAKE US EVEN STRONGER IN THE RACE WITH OUR EUROPEAN AND ASIAN COMPETITORS.

NAFTA IS A SOLID AGREEMENT. BUT RIGHT NOW, BEFORE THE INK IS EVEN DRY, THE DEMOCRATIC LEADERSHIP IN CONGRESS IS CALLING FOR US TO SLAP A TARIFF ON ANY NEW TRADE THAT COMES FROM NAFTA.

THINK ABOUT THAT FOR A MINUTE. AFTER LONG AND TOUGH NEGOTIATIONS WITH OUR TWO CLOSEST TRADING PARTNERS, WE'VE AGREED TO END TARIFFS. THE PROTECTIONIST DEMOCRATS SAY: "OKAY, FINE. BUT FIRST YOU HAVE TO PUT ON A NEW TARIFF."

IN OTHER WORDS, THEY THINK THE WAY TO ELIMINATE TRADE BARRIERS IS BUILD A NEW TRADE BARRIER.

THIS NEW TARIFF -- THIS "TRANSACTION TAX," AS THEY CALL IT -- WILL MAKE IT MORE EXPENSIVE FOR OUR BUSINESSES TO COMPETE IN THE WORLD ECONOMY -- AND IT WILL DISCOURAGE THE CREATION OF NEW JOBS FOR YOU AND YOUR NEIGHBORS. IT TURNS THE AGREEMENT ON ITS HEAD. THEY MAY THINK THAT'S GOOD POLITICS, BUT IT'S LOUSY POLICY.

WHAT ABOUT GOVERNOR CLINTON? WHERE DOES HE STAND? WELL, JUST LAST WEEK, HE WAS ASKED ABOUT OUR NEW TRADE AGREEMENT. HE HEMMED AND HAWED, AND AT LAST HE SAID: "WHEN I HAVE A DEFINITIVE OPINION, I'LL SAY SO."

((I HOPE NOBODY'S PLANNING ON HOLDING THEIR BREATH.))

GOVERNOR CLINTON CAN FUDGE ALL HE WANTS, BUT THE DIFFERENCE COULDN'T BE CLEARER -- AND THE DIFFERENCE IS BASED ON TWO VERY DIFFERENT VIEWS OF AMERICA'S FUTURE. MY OPPONENTS SEE US KNOCK DOWN TRADE BARRIERS AND THEY SAY: HOLD EVERYTHING. THEY SEE US OPEN NEW MARKETS FOR AMERICAN GOODS AND THEY SAY: WAIT A MINUTE. MAYBE WE CAN'T COMPETE. MAYBE THE AMERICAN WORKER CAN'T CUT IT. SO LET'S PULL DOWN THE BLINDS, LOCK THE DOORS AND HOPE THE WORLD GOES AWAY.

WELL, LET ME TELL THEM SOMETHING YOU ALREADY KNOW. THE AMERICAN WORKER DOESN'T HAVE TO HIDE FROM ANYBODY. AMERICANS CAN OUTWORK, OUT-THINK, OUT-COMPETE ANYBODY, ANYWHERE, ANYTIME.

THAT'S SOMETHING EVERYONE IN THE WORLD SEEMS TO UNDERSTAND -- EVERYONE BUT THE PROTECTIONIST DEMOCRATS. OVER THE LAST DECADE, WE'VE SEEN A BOOM IN FOREIGN INVESTMENT IN THE UNITED STATES -- BUSINESSES FROM ALL OVER THE WORLD SETTING UP SHOP FROM PORTLAND, OREGON TO PORTLAND, MAINE. THESE INVESTORS FOLLOW A SIMPLE LOGIC: IF YOU WANT THE BEST SCIENCE AND UNIVERSITIES IN THE WORLD, IF YOU WANT THE BEST WORKERS IN THE WORLD, YOU HAVE TO COME TO THE U.S.A. ///

THE RESULT HAS BEEN JOBS: ONE OUT OF EVERY TEN MANUFACTURING WORKERS IN THE UNITED STATES WORKS FOR A COMPANY SUPPORTED BY FOREIGN INVESTMENT. AND THAT'S THE BOTTOM LINE: JOBS FOR AMERICANS, A GROWING ECONOMIC PIE FOR EVERYONE.

NOW, HERE'S ONE ISSUE GOVERNOR CLINTON DOESN'T FUDGE. HE'S PROPOSED TO INCREASE TAXES ON FOREIGN INVESTMENT IN THE UNITED STATES, EVEN THOUGH THOSE COMPANIES EMPLOY A TOTAL OF 4 AND ONE-HALF MILLION AMERICANS.

GOVERNOR CLINTON SAYS HIS TAX INCREASE WILL "CRACK DOWN" ON FOREIGN COMPANIES, BUT HIS CRACK-DOWN IS MORE LIKE AN EVICTION NOTICE. AND WHEN THOSE COMPANIES PACK THEIR BAGS, THEY'LL TAKE THOSE JOBS WITH THEM. //

I'M NOT GOING TO LET THAT HAPPEN. ///

TRAVEL AROUND THIS STATE. GO TO NEW MADRID (MADRID), TALK TO THE 1200 EMPLOYEES AT NORANDA ALUMINUM - - OR TO JOPLIN, TALK TO THE 425 EMPLOYEES OF ATLAS POWDER. GO TO ANY OF THE 244 FOREIGN-OWNED COMPANIES THAT EMPLOY 60,000 WORKERS RIGHT HERE IN MISSOURI. I DON'T THINK YOU'RE GOING TO FIND ANY OF THOSE MISSOURIANS WHINING ABOUT FOREIGN INVESTMENT.

IF GOVERNOR CLINTON'S TAX HIKE HAD BEEN IN EFFECT THESE PAST FEW YEARS, THOSE COMPANIES WOULDN'T BE HERE -- AND THOSE JOBS WOULDN'T HAVE BEEN CREATED FOR MISSOURIANS.

AND IT'S NOT JUST MISSOURI. WHETHER IT'S THE NISSAN PLANT IN SMYRNA, TENNESSEE -- OR THE HONDA PLANT IN MARYSVILLE, OHIO -- GOVERNOR CLINTON'S TAX INCREASE WOULD BE FELT IN EVERY REGION OF EVERY STATE IN THIS COUNTRY.

GOVERNOR CLINTON COULD USE A LESSON IN INTERNATIONAL RELATIONS. IF HE RAISES THIS TAX, OUR FOREIGN COMPETITORS ARE GOING TO SAY: "WHAT'S GOOD FOR THE GOOSE IS GOOD FOR THE GANDER." HIS TAX IS LIKE A GILDED INVITATION SENT TO FOREIGN GOVERNMENTS WHERE U.S. COMPANIES DO BUSINESS. AND THE INVITATION READS: "PLEASE RETALIATE."

HIS TAX WOULD NOT ONLY DESTROY JOBS AND REDUCE INVESTMENT HERE; IT WOULD DO THE SAME THROUGHOUT THE GLOBAL ECONOMY -- CAUSING A WORLDWIDE CONTRACTION. THERE WAS ANOTHER OCCASION WHEN THAT HAPPENED -- RIGHT BEFORE THE GREAT DEPRESSION.

SO THOSE ARE THE FACTS ABOUT GOVERNOR CLINTON'S TAX: IT WILL DESTROY JOBS. IT WILL DISCOURAGE INVESTMENT. AND IT THREATENS TO START AN ECONOMIC WAR JUST AS MARKETS THE WORLD OVER ARE OPENING UP TO AMERICAN PRODUCTS.

WE SHOULD ASK WHY, GIVEN ALL THIS, GOVERNOR CLINTON WOULD EVER PROPOSE SUCH A TAX IN THE FIRST PLACE. I HAVE A HUNCH. TODAY CHANGE IS ACCELERATING, AND CHANGE BREEDS UNEASINESS, SKEPTICISM, EVEN FEAR. AND BY ATTACKING THE BOGEYMAN OF FOREIGN INVESTORS, GOVERNOR CLINTON HOPES TO EXPLOIT THE DARKER IMPULSES OF THIS UNCERTAIN AGE -- FEAR OF THE FUTURE, FEAR OF THE UNKNOWN, FEAR OF FOREIGNERS.

NOW I KNOW GOVERNOR CLINTON'S REPUTATION FOR OPPORTUNISM -- AS THE KIND OF GUY WHO'LL SAY ANYTHING, DO ANYTHING, FOR POLITICAL GAIN. BUT HE SHOULD UNDERSTAND WHAT'S AT STAKE HERE, AND IF HE DOESN'T KNOW, LET ME TELL HIM: THOSE ARE AMERICAN JOBS HE'S PLAYING POLITICS WITH. THOSE ARE AMERICAN WORKERS HE'S PUTTING AT RISK.

THE AMERICAN PEOPLE WON'T BUY IT. THE PROUDEST PEOPLE ON EARTH HAVE NEVER STOOPED TO FEARMONGERS BEFORE, AND WE'RE NOT GOING TO START NOW.

IN TALKING ABOUT AMERICA'S FUTURE IN THE GLOBAL ECONOMY, I MENTIONED MY OWN EXPERIENCE, BECAUSE I WANT YOU TO UNDERSTAND WHY I BELIEVE WHAT I DO ABOUT AMERICA'S ABILITY TO COMPETE. I'VE BUILT A BUSINESS; I'VE DEALT WITH FOREIGN NATIONS; AND I KNOW HOW TO BRING IT TOGETHER -- I KNOW WHAT IT TAKES TO MAKE AMERICA SECURE AND STRONG AT HOME AND ABROAD.

SO YOU SEE, YOUR VOTE WILL MAKE A DIFFERENCE THIS  
YEAR -- AND NOT ONLY IN THE PRESIDENTIAL ELECTION.  
WHEN YOU LOOK AT YOUR CANDIDATES FOR CONGRESS, I'D LIKE  
YOU TO ASK THEM SOMETHING. ASK THEM WHERE THEY STAND  
ON KEEPING AMERICA AN EXPORT SUPERPOWER -- ON OUR NEW  
TRADE AGREEMENT -- AND ON GOVERNOR CLINTON'S NEW TAXES  
ON INVESTMENT AND JOBS.

PLEASE LISTEN TO THEIR ANSWERS CAREFULLY. AND THIS IS IMPORTANT -- PLEASE FOLLOW UP. SOME OF THEM WILL DO MORE FLIP-FLOPS THAN OZZIE SMITH. I'LL GIVE YOU AN EXAMPLE. EARLIER THIS SUMMER, WE LOST A CLOSE BATTLE IN CONGRESS FOR A CONSTITUTIONAL AMENDMENT TO BALANCE THE FEDERAL BUDGET. ONE OF ST. LOUIS'S REPRESENTATIVES -- JOAN HORN -- SIGNED UP AS A CO-SPONSOR OF THE AMENDMENT IN APRIL. THEN, WHEN IT CAME TIME TO VOTE, SHE DID AN OZZIE SMITH. SHE VOTED AGAINST THE AMENDMENT SHE HAD CO-SPONSORED. SO THIS FALL, WHEN YOU ASK REPRESENTATIVE HORN ABOUT THE ISSUES, ASK HER ABOUT THE BALANCED BUDGET AMENDMENT. LET HER KNOW BEFORE SHE LISTENS TO THE DEMOCRATIC LEADERSHIP IN CONGRESS, SHE SHOULD LISTEN TO HER HEART. SHE SHOULD LISTEN TO MISSOURI.

THOSE ARE THE KIND OF CHOICES WE FACE THIS YEAR --  
A CHOICE BETWEEN THE PATRONS OF THE PAST AND THE  
ARCHITECTS OF THE FUTURE. I BELIEVE WE CAN SHAPE OUR  
FUTURE -- NOT BY TAXING TRADE BUT BY OPENING MARKETS;  
NOT BY SCARING OFF INVESTMENT BUT BY USING IT TO CREATE  
JOBS FOR OURSELVES AND OUR KIDS.

I HAVE FAITH IN AMERICA'S FUTURE -- BECAUSE I HAVE  
FAITH IN THE AMERICAN PEOPLE. IT'S THE SAME FAITH THAT  
BROUGHT ME OUT TO TEXAS MORE THAN 40 YEARS AGO -- THE  
SAME FAITH THAT BROUGHT ME INTO PUBLIC LIFE -- THE SAME  
FAITH THAT HAS LED ME TO FIGHT FOR OPEN MARKETS --  
BECAUSE I KNOW THAT NO CHALLENGE IS TOO GREAT FOR THE  
HEARTS AND HANDS AND MINDS OF AMERICA.

THANK YOU AND GOD BLESS YOU.

# # #

## WHITE HOUSE STAFFING MEMORANDUM

DATE: 8/26/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT EVENT  
 SUBJECT: ST. LOUIS, MO. - 8/27/92 - 9:00 a.m.

|                | ACTION                   | FYI                                 |                             | ACTION                   | FYI                                 |
|----------------|--------------------------|-------------------------------------|-----------------------------|--------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/> | <input checked="" type="checkbox"/> | MOORE                       | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| BAKER          | <input type="checkbox"/> | <input checked="" type="checkbox"/> | MULLINS                     | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| SCOWCROFT      | <input type="checkbox"/> | <input checked="" type="checkbox"/> | PETERSMEYER                 | <input type="checkbox"/> | <input type="checkbox"/>            |
| DARMAN         | <input type="checkbox"/> | <input checked="" type="checkbox"/> | PORTER                      | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| BRADY          | <input type="checkbox"/> | <input checked="" type="checkbox"/> | PROVOST                     | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| BROMLEY        | <input type="checkbox"/> | <input type="checkbox"/>            | ROSS                        | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| CALIO          | <input type="checkbox"/> | <input checked="" type="checkbox"/> | SMITH                       | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| DEMAREST       | <input type="checkbox"/> | <input checked="" type="checkbox"/> | TUTWILER                    | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/> | <input checked="" type="checkbox"/> | ZOELLICK                    | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| GRAY           | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>KAUFMAN</u>              | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>MCGROARTY</u>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>BOSKIN</u>               | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| MCBRIDE        | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>                    </u> | <input type="checkbox"/> | <input type="checkbox"/>            |

**REMARKS:**

The attached has been forwarded to the President.

**RESPONSE:**

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

THE WHITE HOUSE  
WASHINGTON

August 26, 1992

2:50 PM 8/27

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAN MC GROARTY *DMG*

FROM: ANDY FERGUSON *af*

SUBJECT: PROPOSED REMARKS FOR PUBLIC SAFETY EQUIPMENT EVENT

I. SUMMARY

On Thursday, August 27, at 9:00 a.m., you will address approximately 2,000 people at Public Safety Equipment, Inc. in St. Louis, Missouri. The company exports light bars for emergency vehicles worldwide.

II. DISCUSSION

Your remarks (approximately 18 minutes / teleprompter) discuss the importance of NAFTA and explains Gov. Clinton's plan to tax foreign investment in the United States. Your remarks also criticize Missouri Rep. Dick Gephardt's proposal for a "transaction tax" within a free trade zone.

(Ferguson/Walters)  
August 26, 1992  
12:20 p.m.  
STLOUIS

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments)

((This is great. Look at the equipment you have here -- light bars, beacons -- you've given a whole new meaning to a thousand points of light.))

((I may take some of your sirens back to Washington. They're the only thing that makes more noise than the White House press corps.))

You know, the press specializes in the business of bad news. But today I'd like to open with some good news.

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. And now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an export superpower.

In this election, you'll hear two versions of how to do this. My opponents' answer is to look inward, and protect what we already have from the challenges of this new world. My approach is to look forward -- to open new markets, prepare our people to compete, to restore our social fabric -- to save and invest, so that we can win.

I wanted to come here today to St. Louis to lay out the sharp difference between Governor Clinton and me on the crucial issue of investment and open trade. My policies encourage both - - because my experience in business and foreign affairs has shown me that trade and investment create jobs.

In contrast, my opponent and the Democratic Congress want to tax both trade and investment. But taxes stifle things -- and in this case, their taxes would chase away business and destroy jobs.

I know my opponent has lots of slogans and policy buzzwords that sound appealing when you first hear them -- but America can't afford them.

Take the story of PSE as an example of America's competitive capabilities. There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

That's no longer good enough. So five years ago, you took on the world. I'm told that now 35 percent of what you build is sold outside our borders, in 66 different countries. Today your light bars and sirens help save lives not only on the streets of Detroit and Peoria, but in Israel, Hong Kong and Spain.

PSE's story is a parable for our entire country's economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I first learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a salesman. And all around me in those days I saw towns and businesses rise up from nothing, for a simple reason: The world wanted what Texas had to offer -- cotton and cattle and crude.

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there. I traveled the world -- to Europe and the Far East. Every dollar we could bring into this country was a dollar that went to expand our company, create jobs in our community.

Then when I started to get involved in foreign relations, I built on that experience. I've learned how important America is to the world, but also how important the world is to America -- not just for national security in the traditional sense, but for our economic security, for creating jobs, right here at home.

We've held steady to this vision for three years now, and we've made real progress. As we knock down trade barriers, American companies are rushing to meet the demand. Since I took office, exports have increased by one-third. America is the

greatest exporter the world has ever seen -- \$422 billion dollars of exports last year alone.

Let me bring it close to home. In Missouri, exports are up 37 percent over the last three years -- \$4.5 billion worth of goods shipped to 166 countries around the world.

Impressive numbers, but when you dig behind the trade statistics, you find the real benefit of the new world economy - in a word, it's jobs. Here in Missouri, 100,000 jobs are supported by foreign trade. Across the country, more than 7 million Americans owe their jobs to trade.

Everyone recognizes that the world is moving at a faster pace, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we initialed the North American Free Trade Agreement, with the goal of knocking down tariffs and creating one of the largest free-trade areas in the world -- an integrated economy worth more than \$6 trillion dollars.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will create still more jobs, and make us even stronger in the race with our European and Asian competitors.

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. We're going to take this case to the protectionists on Capitol Hill, because they need to hear it. Right now, before our

initials are even dry on the agreement, the Democratic leadership in Congress is calling for us to slap a tariff on any new trade that comes from NAFTA.

Think about that for a minute -- ((that's a minute longer than they've thought about it)). After long, tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new tariff.

In other words, they think the way to eliminate trade barriers is to build a new trade barrier.

That's like telling us they want us to hit a homerun, but please only if we run around the bases backward.

This "transaction tax," as they call it, will make it more expensive for our businesses to compete with the European and Asians -- and it will discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

What about Governor Clinton? Where does he stand? Well, just last week, when asked about our new trade agreement, he hemmed and hawed, and at last he said: "When I have a definitive opinion, I'll say so."

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see us knocking down trade barriers and they say: Hold everything. They see us open new markets for American goods and

they say: Wait a minute. Maybe we can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away.

Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States -- businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors follow a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

The result has been jobs: One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. And that's the bottom line: jobs for Americans, a growing economic pie for everyone.

Now, here's one issue where Governor Clinton doesn't waffle. He's surveyed the issue of foreign investment and come out foresquare for -- you guessed it -- a tax increase.

He's proposed to increase taxes on foreign investment in the United States, even though those companies employ a total of 4 and one-half million Americans.

[[Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The

Joint Committee on Taxation says that estimate is about 45 times too high.]]

Governor Clinton says his tax increase will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri. I don't think you're going to find any of those Missourians railing against the evils of foreign investment.

If Governor Clinton's tax hike had been in effect these past few years, those companies wouldn't be here -- and those jobs wouldn't have been created for Missourians.

And it's not just Missouri. Whether it's the Nissan plant in Tennessee -- or the proposed BMW plant in South Carolina -- Governor Clinton's tax increase would be felt in every region of every state of this country.

Governor Clinton needs to learn something about international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander." His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "Please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when

that happened. It was in 1930. Right before the great depression.

[[No other major industrial nation favors the kind of tax increase Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.]]

Let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners.

Well, let me tell Governor Clinton something: Play politics all you want, but those are American jobs you're playing politics with. Those are American workers you're putting at risk.

The American people won't buy it. The proudest people on earth have never stooped to fearmongers before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe what I do about America's ability to compete. I've built a business; I've dealt with foreign nations; I know what it takes to make America secure and strong at home and abroad.

Governor Clinton takes a different view, and it is borne of his life experience -- a life spent in Arkansas government.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done -- meeting the competition head on, making foreign markets your own.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart.

Thank you and God bless you.

# #

*Note: This proclamation was published in the Federal Register on August 28.*

**Letter to Congressional Leaders Reporting a Budget Deferral**  
August 26, 1992

*Dear Mr. Speaker: (Dear Mr. President:)*

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one deferral of budget authority, totaling \$17.6 million. Including this deferral, funds withheld in FY 1992 now total \$5.8 billion.

The deferral affects the Agency for International Development. The details of this deferral are contained in the attached report.

Sincerely,

**George Bush**

*Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.*

**Memorandum on Administrative Dismissal of Employees Affected by Hurricane Andrew**

August 26, 1992

*Memorandum for the Heads of Executive Departments and Agencies*

*Subject: Administrative Dismissal of Employees Affected by Hurricane Andrew*

Our hearts go out to the thousands of Americans in South Florida and along the Gulf Coast who have suffered tragic losses at the hands of Hurricane Andrew. Many parts of the Federal Government have been mobilized to respond to this disaster and to begin a massive effort to recover from the ravages of this storm.

As part of this effort, I request heads of executive departments and agencies who have Federal civilian employees in the geographic areas designated as disaster areas because of Hurricane Andrew to use their discretion under OPM and agency regulations

and where appropriate excuse from duty, without charge to leave or loss of pay, any such employee who is faced with a personal emergency because of the storm and who can be spared from his or her usual responsibilities. This policy should also be applied to any employee who is needed for emergency law enforcement, relief, or clean-up efforts authorized by Federal, State, or local officials having jurisdiction.

**George Bush**

**Remarks to Public Safety Equipment Employees in St. Louis, Missouri**

August 27, 1992

Thank you all. I know, anything to get out of work. [Laughter] Steve, thank you, thank you very much for that kind and genuine introduction. Let me thank some other members of the host committee: Mike Latta, one of the founders, Ed Ryan, Andrew Smith. And of course, I'm very, very pleased that my dear friend and your great Governor, John Ashcroft, could be with us this morning. He's done a superb job for this State, and I'm proud to be at his side once again.

This is really great. Look at the equipment you have here, lightbars, beacons. You've given a new meaning to a thousand points of light. [Laughter]

Over the past 3½ years we've seen a world transformed, as Steve mentioned in his introduction. And yes, the cold war is over. And now the defining challenge of the nineties is to win the competition of this new global economy, to win the peace. Our goal is simple and profound: We must be a military superpower, an economic superpower, and an export superpower.

In this election, you're going to hear two versions of how to do this. My opponent's answer is to turn inward, to protect what we already have from the challenges of this new world. My approach is to look forward, to look out, to open new markets, prepare our people to compete, to restore our social fabric, and to save and invest so that we can win.

I've come to St. Louis today not to—you'll be happy to know—not to have a political rally, but really to deliver a serious message to the people in this factory, the people in Missouri, and the people in the country. I want to point out the sharp difference between Governor Clinton and me on the crucial issues of investment and open trade. My policies encourage both because my experience in business and foreign affairs has shown me that trade and investment create jobs.

In contrast, my opponent and, regrettably, the Democratic Congress want to tax both trade and investment. But common sense tells us that if you tax something you get less of it. Taxes stifle growth and chase away business and destroy jobs.

I know that the other side has lots of slogans and policy buzzwords that sound appealing when you first hear them, but America cannot afford them. There's a difference between soundbites and sound policy. Talk is cheap until you get the bill.

The reason I'm so pleased to be here is because PSE is an example of where I believe this whole country should go and how we should get there. Not so long ago companies like PSE could be satisfied with a national market, sell your goods in the 50 States, leave it at that.

That's no longer good enough. So a few years ago, you decided to take on the world. I'm told that now 35 percent, or about a third of what you make, is sold outside the borders of the United States and in 48 different countries. Today your lightbars and sirens help save lives not only on the streets of Detroit and Peoria, but in Israel, Hong Kong, and Spain. I was told that when the Kuwaitis, their country freed, went back in that your products helped lead the way and keep the peace.

You know, your story is a parable for our Nation's economic future. You've taken the challenges of foreign competition and reshaped them as opportunities, made your name literally a standard of excellence. You should be very, very proud of that, every single person that works here.

I don't want to bore you with life history, but let me tell you how I first learned about competing in the world. I learned my eco-

nomics in the oil fields of west Texas, painting rigs, and then for a while I drove tens of thousands of miles through the fields in Texas and New Mexico and then California and back to Texas. All around me in those days I saw towns and businesses start from nothing, for a simple reason: The world wanted what Texas had to offer: cotton, cattle, crude.

Later on, when I started my own business, I shopped for investors on the west coast and the east coast, but I couldn't stop there. I traveled the world. We had a tiny company, smaller than PSE by far. And that little company exported our services, and I think success, to Japan, to Brunei, to South America, and to the Middle East. We created American jobs in the process.

Now, I tried to build on that experience when I got involved in foreign relations. And I saw again how important America is to the world, and how important the world is to America, not just for national security in the traditional sense, but for economic security, for our own economic security, for creating jobs right here at home.

We've held steady to this vision for 3 years now, and we have made solid progress. As we knock down trade barriers, American companies are rushing to meet the demand all around the world. More and more people are buying American. Since I took office, exports have increased by one-third. America is the greatest exporter in the entire world, greatest one the world has ever seen, \$422 billion of exports last year alone.

Let me bring that right into the shop here in St. Louis, bring it close to home. In Missouri, exports are up 37 percent over the last 3 years, \$3.8 billion worth of goods shipped to 151 countries around the world. It looks like the "Show Me State" is showing the world.

Now these numbers are impressive, but when you dig behind them, get in behind the math, you find the real benefit of the new world economy, and in a word, it is jobs. Here in Missouri, 150,000 jobs are supported by foreign trade. Across the country, more than 7 million Americans owe their jobs to exports.

Everyone recognizes, everyone now, that the world is moving at a faster clip, but I

George Bush, 1992

use from duty, loss of pay, any with a personal firm and who can equal responsibility be applied to for emergency clean-up efforts or local officials

George Bush

Equipment Missouri

thing to get out thank you, thank and genuine income other members Mike Latta, one Andrew Smith. very pleased that great Governor, us this morning, this State, and ice again.

at the equipment beacons. You've thousand points

e've seen a world oned in his intro-war is over. And e of the nineties of this new global Our goal is sim-be a military superpower, and an

oing to hear two . My opponent's protect what we enges of this new look forward, to kets, prepare our re our social fab-t so that we can

see something more: It's moving our way. Right now we're building on the export success of the last 3 years. Two weeks ago we entered into an era, a new era, I'd say, of open trade. Along with Mexico and Canada, we concluded talks on the North American free trade agreement, called NAFTA, knocking down tariffs and creating one of the largest free-trade areas in the world, an integrated economy worth more than \$6 trillion.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will create even more American jobs and make us even stronger in the race with our European and Asian competitors.

NAFTA is a solid agreement. But right now, before the ink is even dry, the Democratic leadership in the Congress is calling for us to slap a tariff on any new trade that comes from NAFTA. Now, you've got to—this is complicated, but just think about it for a minute. After long and tough negotiations with our closest trading partners, we've agreed to end tariffs. The protectionist Democrats say, "Okay, fine. But first you have to put on a new tariff."

In other words, they think the way to eliminate trade barriers is build a new trade barrier. And they call this new tariff a transaction tax. It'll make it more expensive for businesses like yours to compete in the world economy. And it will discourage the creation of new jobs for your neighbors and, most important, for you. It turns the agreement on its head. They may think that's good politics, but it is, frankly, lousy policy.

Now, you might ask, what about Governor Clinton on this, where does he stand? Just last week, he was asked about our new trade agreement, and he hemmed and hawed, and at last he said, and I quote, "When I have a definitive opinion, I'll say so." I hope nobody's planning to hold their breath on this one. [Laughter] I know politics. And I guess as a candidate you can be on both sides of every question. But as a President, you cannot. You have to make the tough decisions. And you shouldn't be on both sides of each issue.

Governor Clinton can fudge all he wants, but the difference couldn't be clearer. The difference is based on two very different

views of our future. My opponents see us knock down trade barriers, and they say, "Hold everything." They see us open new markets for American goods and they say, "Wait a minute. Maybe we can't compete. Maybe the American worker can't cut it. So let's pull down the blinds, lock the doors, and hope the world goes away."

Let me tell them something you already know in this plant. The American worker doesn't have to hide from anybody. Americans can outwork, outthink, outcompete anybody, anywhere, anytime. And that's what we're trying to do: expand these markets. That's something everyone in the world seems to understand, everybody but the protectionist Democrats.

Over the last decade, we have literally seen a boom in foreign investment in the United States, even when things are very, very tough at home. We've seen a boom in that. Businesses from all over the world coming here, setting up shop from Portland, Oregon to Portland, Maine. These investors follow a simple logic: If you want the best science and universities in the world, if you want the best workers in the world, you have to come to the United States of America. And the result has been jobs. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line: jobs for Americans, a growing economic pie for everyone.

Now, here's one issue Governor Clinton does not fudge. He's proposed to increase taxes on foreign investment in the United States, even though those companies employ a total of 4½ million American workers. Governor Clinton says his tax increase will crack down on foreign companies. But that crack-down is more like an eviction notice. When those companies pack their bags, they'll take those jobs with them. I'm not going to let that happen.

We've got to open markets. We've got to encourage investment here, encourage investment abroad, create new markets for the American worker.

All I ask is that you just travel around this State. Go to New Madrid, talk to the 1,200 employees at Noranda Aluminum, or to Joplin, talk to the 425 employees at Atlas Powder. Go to any of the 244 foreign-owned

ponents see us  
and they say,  
we us open new  
s and they say,  
can't compete.  
r can't cut it. So  
k the doors, and

ing you already  
merican worker  
nybody. Ameri-  
outcompete any-  
And that's what  
these markets.  
in the world  
ody but the pro-

ave literally seen  
it in the United  
very, very tough  
n in that. Busi-  
ld coming here,  
and, Oregon to  
vestors follow a  
best science and  
ou want the best  
ave to come to  
a. And the result  
ery ten manufac-  
ed States works  
foreign invest-  
jobs for Ameri-  
ie for everyone.  
overnor Clinton  
osed to increase  
t in the United  
ompanies employ  
an workers. Gov-  
crease will crack

But that crack-  
n notice. When  
ags, they'll take  
not going to let

ts. We've got to  
encourage in-  
markets for the

avel around this  
alk to the 1,200  
inum, or to Jop-  
es at Atlas Pow-  
t foreign-owned

companies that employ 60,000 workers, 60,000 Missouri workers right here. And I don't think you're going to find any of those Missourians complaining about foreign investment. If Governor Clinton's tax hike had been in effect these past few years, those companies simply would not be here, and those jobs wouldn't have been created for the citizens of Missouri. And it's not just Missouri. Whether it's the Nissan plant in Smyrna, Tennessee, or the Honda plant in Marysville, Ohio, Governor Clinton's tax increase would be felt in every region of every State in this country.

And he could use a lesson in international relations. If he raises this tax, our foreign competitors are going to say, "What's good for the goose is good for the gander." His tax hike is like a gilded invitation sent to foreign governments where U.S. companies do business. And the invitation reads: Please retaliate. You do not want these governments abroad to retaliate against Code 3, against your wonderful products because of tariff policies or tax policies in the United States.

His tax would not only destroy jobs and reduce investment here, it would do the same throughout the global economy, causing a worldwide contraction. I don't have to ask you to go back to the history books, but there was an occasion when that happened, right before the Great Depression. And we're fighting our way out of a tough recession now, and we don't need to throw more Americans out of work. So look carefully at this taxing.

Those are the facts about Governor Clinton's tax: It will literally destroy jobs, discourage investment, and it threatens to start an economic war just as markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. Well, I have a hunch. Today change is accelerating, and change breeds a certain uneasiness, skepticism, even fear. And by attacking the bogeymen of foreign investors, Governor Clinton hopes to exploit the darker impulses of this uncertain age: fear of the future, fear of the unknown, fear of foreigners.

Now, I know his reputation for opportunism, as the kind of guy who will say anything,

do anything for political gain. But he should understand what's at stake here. And if he doesn't understand it, let me tell him. Those are American jobs he's playing politics with. Those are American workers he's putting at risk. The American people simply won't buy it. The proudest people on Earth have never stooped to fearmongers before, and we must not stoop now to fearmongers.

In talking about our future in the global economy, I mentioned, touched on my own experience because I want you to understand why I believe what I do about America's ability to compete. I've, with a lot of help, built a business; and I've dealt with foreign nations. I know how to bring it together. I know what it takes to make America secure and strong at home and abroad.

So, you see, your vote will make a difference this year, not only in the Presidential election. When you look at your candidates for Congress, I'd like you to ask them something. Ask them where they stand on keeping America an export superpower, on our new trade agreement, and on Governor Clinton's new taxes on investment and jobs. Please listen to the answers very carefully. Don't let them talk any longer—talk one way in Missouri and another way back in Washington, DC.

And this is important. Please follow up. Some of them will do more flip-flops than Ozzie Smith out there. [Laughter] I'll give you an example. Earlier this summer we lost a close battle in Congress for a constitutional amendment to balance the Federal budget, to discipline the Congress and discipline the executive branch. One of St. Louis' representatives, Joan Kelly Horn, signed up—this is going to be hard for you to believe—signed up as a co-sponsor, one of the leaders of, a co-sponsor of the amendment to cause us to have to balance the budget. She signed up in April. And then when it came to the vote, she flipped. She voted against the very same amendment that she had co-sponsored.

Enough is enough. This fall ask her about that balanced budget amendment, and vote for Jim Tallent, her opponent. And I know Matt Holekamp supports the balanced budget amendment, too. Vote for him. We need to make people do in Washington what they tell you in Missouri they're going to do.

Well, anyway, those are the kind of choices we face this year, a choice between the patrons of the past and the architects of the future. I believe we can shape our future not by taxing trade, but by opening markets; not by scaring off investment, but by using it to create jobs for ourselves and our kids.

I have great faith in America's future because I have faith in the American people and in the American worker. It is the same faith that brought me out to Texas more than 40 years ago, the same faith that brought me into public life, the same faith that has led me to fight for these open markets, because I know that no challenge is too great for the hearts and the minds of America.

And lastly, do not listen to the pessimists who tell you that the United States of America is in decline. We are at the sunrise, not the sunset. And if we pursue these opening of markets, we will demonstrate to the entire world once again why everybody looks to America: peace, security, strength, freedom, democracy, and an ability to outwork anybody, anywhere, anytime.

Thank you all very, very much. And God bless you.

*Note: The President spoke at 9:10 a.m. on the shop floor at Public Safety Equipment, Inc. In his remarks, he referred to PSE officials Stephen Rose, engineer; Michael D. Latta, president; Edward F. Ryan, vice president, marketing; and Andrew G. Smith, vice president, engineering; and Ozzie Smith of the St. Louis Cardinals baseball team.*

### Remarks to a Bush-Quayle Rally in Cincinnati, Ohio

August 27, 1992

**The President.** Thank you very much. Hey, George Voinovich, thank you very, very much. Thank you. Last time I was at a rally at this marvelous park, Johnny Bench and I rode in on a fire engine, and it started to rain. Now the sun is out, and things are looking good.

I want to thank George Voinovich, all our other great leaders here. I want to thank Ronnie McDowell for that musical number

and mention those Olympians that were here, Mike McMurray and Joe Hudepohl and Tim Austin, thanking them for being with us and for what they did for the United States of America in Barcelona. Also, a special thanks to my friend Johnny Bench, everybody's hero.

These athletes, these competitors know something about competition, and this year's campaign is about one question: how America can win the economic competition and win the peace. I believe I am the person to lead us to do just that.

You know, you can't build a home without a hammer; you can't build a dream without a job. So you need to know which candidate has a plan to fulfill your dreams. I believe I have the plan that works for America. My plan starts with the idea that the deficit, the big spending deficit, is a dark cloud hovering over the future of these kids. The Federal Government spends too much of your hard-earned money. Help me put an end to that.

I have asked Congress to take over 4,000 specific projects, 250 Federal programs and send them the way of the pet rocks and the mood rings. And they refuse to act.

Here's another idea. So far, Congress has said no to my efforts to cut spending. So last week I put forth a new idea. If they can't do it, I want to give you, the taxpayer, the power to take up to 10 percent of your tax return, earmark it for one purpose only: reduce the dangerous Federal deficit. If you can check off for America, I believe we will finally get the big spenders up there in Washington in check.

You might say, "How do we create jobs in America?" Well, unlike my opponent, I spent half my life in the private sector, trying to meet a payroll, like many of you out here. I happen to believe that having held a job in the private sector is a good qualification for President of the United States or for anything else.

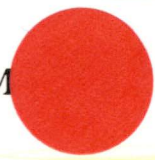
I know this, that taxes stifle growth and they stop job creation. So with a new Congress, and we're going to have a new one, we will cut spending, and then we'll cut taxes. They want to increase spending and increase taxes, and that is the big difference.

Another thing: I want to get rid of all those crazy lawsuits. If you fall off a stepladder

6508

WHITE HOUSE STAFFING MEMORANDUM

AUG 26 8:27



DATE: 08/25/92 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 a.m. 08/26

SUBJECT: PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC., ST. LOUIS, MO-  
08/27/92

|                | ACTION                              | FYI                                 |             | ACTION                              | FYI                                 |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MOORE       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BAKER          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MULLINS     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SCOWCROFT      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PETERSMEYER | <input type="checkbox"/>            | <input type="checkbox"/>            |
| DARMAN         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PORTER      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BRADY          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | PROVOST     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BROMLEY        | <input type="checkbox"/>            | <input type="checkbox"/>            | ROSS        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| CALIO          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | SMITH       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DEMAREST       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | TUTWILER    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | ZOELICK     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| GRAY           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | KAUFMAN     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | MCGROARTY   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/>            | <input type="checkbox"/>            | BOSKIN      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| MCBRIDE        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |             | <input type="checkbox"/>            | <input type="checkbox"/>            |

REMARKS:

Please provide any comments directly to Dan McGroarty, Rm.122, x 2930, no later than 10:00 a.m. on Wednesday, 08/26, with a copy to this office. Thanks.

RESPONSE: TO: DAN MCGROARTY August 26, 1992

The NSC staff concurs with the presidential remarks as amended.

*Brent Scowcroft*  
Brent Scowcroft

cc: Phillip D. Brady

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

(Ferguson/Walters)  
August 25, 1992  
6:40 p.m.  
ST LOUIS

AUG 25 P 6:43

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments, humor)

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. But now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an export superpower.

In this election, you'll hear two versions of how to do this. My opponents' answer is to look inward, and protect what we already have from the challenges of this new world. My approach is to look forward -- to open new markets, prepare our people to compete, to restore our social fabric -- to save and invest, so that we can win.

Twenty five years ago, where you're standing was a patch of bleak, undeveloped real estate. Now look around -- because of your dreams and hard-work, that patch of ground is a bustling factory, creating light bars and sirens that help save lives and keep the peace, [from Manila to Santiago]

*These haven't always been used by democratic governments to "keep the peace."  
- Need to pick several others -*

There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

But you here at PSE know that's no longer good enough. So five years ago, you took on the world. I'm told that now 35 percent of what you build right here is sold outside our borders, in 66 different countries. That bold, forward-looking strategy has helped you weather the uncertainties of the past few years.

PSE's story is a parable for our entire country's economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a traveling salesman. And all around me in those days -- the fifties and early sixties -- I saw towns and businesses bloom from those dusty plains like desert flowers.

Why? The reason was simple: The world wanted what Texas had to offer -- cotton and cattle and crude.

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there.

Everyone recognizes that the world is moving at a faster pace than ever, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we ~~initiated~~<sup>announced</sup> the North American Free Trade Agreement, with the goal of creating one of the largest free-trade areas in the world -- an integrated economy worth more than \$6 trillion dollars.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will make that success look like kid's stuff.

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. It will protect the environment, and more important, it will protect American workers. And more: it will create new jobs for this generation and the next -- especially the kind of high-tech, high-wage jobs we'll be proud to pass on to our children.

We're going to take this case to the liberal Democrats on Capitol Hill, because they need to hear it. A free-trade agreement isn't a way of dividing up the economic pie, where one side's loss is another side's gain; it's a way of making the pie bigger for everyone who participates.

The liberals don't seem to get it. Right now, in fact, before our initials are even dry on the agreement, the liberals in Congress -- led by somebody who might be familiar to you,

Congressman Dick Gephardt -- are calling for us to slap a tariff on any new trade that comes from NAFTA.

Think about that for a minute -- ((which is a minute longer than they've thought about it)). After years of tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new tariff.

In other words, the only way they'll agree to reduce tariffs is if they can raise tariffs.

That's like telling us they want us to hit a homerun, but please don't hit it out of the park because we don't want to lose the ball.

This "transaction tax," as they call it, will increase the cost of goods you want to buy, and discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

Now, I suppose I could ask my opponent to help me out with his liberal Democrat colleagues on Capitol Hill. Governor Clinton says he's for free trade "in principle."

But "in practice" may be a different story. Actually, it's not clear where the governor stands. Last year, Mr. Clinton called a free-trade pact with Mexico "imperative." Then this April, the Washinton Post reported that the protectionists were "breathing easier" because he endorsed their trade position. Then in July, he said he was "applauding Majority Leader Gephardt's efforts."

This week, maybe the governor delivered his final word on the subject. He said he was studying our agreement. Then he said: "When I have a definitive opinion, I'll say so."

The way Governor Clinton wiggles on free trade, I'm not surprised he compares himself to Elvis.

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see trade barriers falling and they say: Hold everything. They see new markets for American goods and they say: Wait a minute. We can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away.

Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. We have the most productive workforce in the world. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States, with businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors are following a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

Now, this investment makes some people uneasy. I understand that -- particularly when the other side tries to stir up fear and resentment against foreign capital. I was in Utah not long ago, and a very articulate woman confronted me on the issue. I told her we probably couldn't see eye to eye on it, but I tried to tell her why I felt so strongly against the isolationism that would keep foreign investment out of America.

There was an irony in her timing. I had just returned from meeting with the heads of the industrialized countries in Munich, and while I was there I was pleased to team up with Governor Carroll of South Carolina and the head of BMW to announce a new BMW plant in South Carolina. That means 10,000 jobs to the people of that state.

Now, I don't think the 10,000 South Carolinians who get those jobs are going to argue against foreign investment. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line on foreign investment in the U.S.: jobs -- jobs for Americans, and growth for the American economy.

That's the way the world works in a global economy. Again, Governor Clinton just doesn't seem to understand. But he's not wiggling on the issue of foreign investment -- not at all. He's surveyed the issue and come out foresquare for -- you guessed it -- a tax increase.

*At the same time,  
America is the largest  
investor overseas.*

He's proposed to increase taxes on foreign investment in the United States, each one of those companies that employ a total of 4 and one-half million Americans.

Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The Joint Committee on Taxation says that estimate is about 45 times too high.

Governor Clinton says his tax increase will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri.

If Governor Clinton's tax hike had been in effect these past few years, few if any of those companies would have located in the United States -- few if any of those jobs would have been created for Missourians.

And it's not just Missouri. Whether it's the Nissan plant in xx Tennessee -- whether it's the xx plant in xx, xx -- Governor Clinton's tax increase would be felt in every region of every state of this country.

Governor Clinton forgets something about international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander."

His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "Please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when that happened. It was in 1930. Right before the great depression.

No other major industrial nation has the kind of tax Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.

So let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners.

Well, let me tell Governor Clinton something: You can play politics with, but those are American jobs you're playing politics with. Those are American workers you're putting at risk.

The American people won't buy it. We're bigger than that. The proudest people on earth have never stooped to fearmongers<sup>or</sup> before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe what I do about America's ability to compete. Governor Clinton takes a different view, and it is borne<sup>g</sup> of his life experience -- a life spent in government.

You see the difference on issue after issue. I understand that you boost the economy by cutting taxes. I understand that you cut the deficit by cutting spending. I understand that you open markets by tearing down barriers -- by sitting down at the table and hammering out a tough and fair agreement.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done. You didn't shrink from challenge, you embraced it. You didn't shrink from competition, you met it head on. You didn't retreat from foreign markets, you conquered them.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to

Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart.

Thank you and God bless you.

# #

WHITE HOUSE STAFFING MEMORANDUM

DATE: 08/25/92 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 a.m. 08/26

SUBJECT: PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC., ST. LOUIS, MO-  
08/27/92

|                | ACTION                              | FYI                                 |             | ACTION                              | FYI                                 |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | * MOORE     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BAKER          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MULLINS     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SCOWCROFT      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PETERSMEYER | <input type="checkbox"/>            | <input type="checkbox"/>            |
| DARMAN         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PORTER      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BRADY          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | * PROVOST   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BROMLEY        | <input type="checkbox"/>            | <input type="checkbox"/>            | ROSS        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| CALIO          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | SMITH       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DEMAREST       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | TUTWILER    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | ZOELICK     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| GRAY           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | KAUFMAN     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | MCGROARTY   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/>            | <input type="checkbox"/>            | BOSKIN      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| MCBRIDE        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |             | <input type="checkbox"/>            | <input type="checkbox"/>            |

REMARKS:

Please provide any comments directly to Dan McGroarty, Rm.122, x 2930, no later than 10:00 a.m. on Wednesday, 08/26, with a copy to this office. Thanks.

RESPONSE:

Called 9:00  
10:30  
11:25

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

(Ferguson/Walters)  
August 25, 1992  
6:40 p.m.  
STLOUIS

2 AUG 25 P 6:43

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments, humor)

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. But now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an export superpower.

In this election, you'll hear two versions of how to do this. My opponents' answer is to look inward, and protect what ~~we already have~~ <sup>away</sup> from the challenges of this new world. My approach is to look forward -- to open new markets, prepare our people to compete, to restore our social fabric -- to save and invest, so that we can win.

Twenty five years ago, where you're standing was a patch of bleak, undeveloped real estate. Now look around -- because of your dreams and hard-work, that patch of ground is a bustling factory, creating light bars and sirens that help save lives and keep the peace from Manila to Santiago.

Ross  
??

There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

But you here at PSE know that's no longer good enough. So five years ago, you took on the world. I'm told that now 35 percent of what you build right here is sold outside our borders, in 66 different countries. That bold, forward-looking strategy has helped you weather the uncertainties of the past few years.

PSE's story is a parable for our entire country's economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a traveling salesman. And all around me in those days -- the fifties and early sixties -- I saw towns and businesses bloom from those dusty plains like desert flowers.

Why? The reason was simple: The world wanted what Texas had to offer -- cotton and cattle and crude.

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there.

I traveled the world -- to Europe and the Far East. Every dollar we could bring into this country was a dollar that went to expand our company, create jobs in our community.

I've seen it over and over again: as U.N. ambassador, envoy to China, and now as president. You learn how important America is to the world, but you also learn how important the world is to America -- not just for national security, not just for military preparedness, but for creating jobs, right here at home.

We've held steady to this vision for three years now, and with great success. As we knock down trade barriers, American companies are rushing to meet the demand. Exports are up xxx in the last five years; America is once again the world's leading exporter.

What does that mean right here? I'll bring it closer to home. In Missouri, exports are up 37 percent over the last three years -- \$4.5 billion worth of goods shipped to 166 countries on every continent.

Impressive numbers, but when you get behind the abstractions of export figures and trade statistics, you find the real benefit of the new world economy -- in a word, it's jobs. Here in Missouri, 100,000 jobs are supported by foreign trade. Across the country, more than 7 million Americans are employed for the same reason.

That's the way the world works these days. It's a world where products can be shipped at the speed of sound and investment money can cross borders at the speed of light.

Everyone recognizes that the world is moving at a faster pace than ever, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we initialed the North American Free Trade Agreement, with the goal of creating one of the largest free-trade areas in the world -- an integrated economy worth more than \$6 trillion dollars.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will make that success look like kid's stuff.

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. It will protect the environment, and more important, it will protect American workers. And more: it will create new jobs for this generation and the next -- especially the kind of high-tech, high-wage jobs we'll be proud to pass on to our children.

We're going to take this case to the liberal Democrats on Capitol Hill, because they need to hear it. A free-trade agreement isn't a way of dividing up the economic pie, where one side's loss is another side's gain; it's a way of making the pie bigger for everyone who participates.

The liberals don't seem to get it. Right now, in fact, before our initials are even dry on the agreement, the liberals in Congress -- led by somebody who might be familiar to you,

Ross  
 We're  
 laying  
 the foundation  
 for more  
 growth  
 more  
 jobs.

Congressman Dick Gephardt -- are calling for us to slap a tariff on any new trade that comes from NAFTA.

Think about that for a minute -- ((which is a minute longer than they've thought about it)). After years of tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new tariff.

In other words, the only way they'll agree to reduce tariffs is if they can raise tariffs.

That's like telling us they want us to hit a homerun, but please don't hit it out of the park because we don't want to lose the ball.

This "transaction tax," as they call it, will increase the cost of goods you want to buy, and discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

Now, I suppose I could ask my opponent to help me out with his liberal Democrat colleagues on Capitol Hill. Governor Clinton says he's for free trade "in principle."

*Ross* But "in practice" may be a different story. Actually, <sup>as in so many cases,</sup> it's not clear where the governor stands. Last year, Mr. Clinton called a free-trade pact with Mexico "imperative." Then this April, the Washinton Post reported that the protectionists were "breathing easier" because he endorsed their trade position. Then in July, he said he was "applauding Majority Leader Gephardt's efforts."

This week, maybe the governor delivered his final word on the subject. He said he was studying our agreement. Then he said: "When I have a definitive opinion, I'll say so."

The way Governor Clinton wiggles on free trade, I'm not surprised he compares himself to Elvis.

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see trade barriers falling and they say: Hold everything. They see new markets for American goods and they say: Wait a minute. We can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away. *Let's turn inward.*

Ross X Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. We have the most productive workforce in the world. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States, with businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors are following a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

Now, this investment makes some people uneasy. I understand that -- particularly when the other side tries to stir up fear and resentment against foreign capital. I was in Utah not long ago, and a very articulate woman confronted me on the issue. I told her we probably couldn't see eye to eye on it, but I tried to tell her why I felt so strongly against the isolationism that would keep foreign investment out of America.

There was an irony in her timing. I had just returned from meeting with the heads of the industrialized countries in Munich, and while I was there I was pleased to team up with Governor Carroll of South Carolina and the head of BMW to announce a new BMW plant in South Carolina. That means 10,000 jobs to the people of that state.

Ploss. Now, I don't think the 10,000 South Carolinians who <sup>will</sup> get those jobs are going to argue against foreign investment. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line on foreign investment in the U.S.: jobs -- jobs for Americans, and growth for the American economy.

That's the way the world works in a global economy. Again, Governor Clinton just doesn't seem to understand. But he's not wiggling on the issue of foreign investment -- not at all. He's surveyed the issue and come out foresquare for -- you guessed it -- a tax increase.

He's proposed to increase taxes on foreign investment in the United States, each one of those companies that employ a total of 4 and one-half million Americans.

Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The Joint Committee on Taxation says that estimate is about 45 times too high.

Governor Clinton says his tax increase will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri.

If Governor Clinton's tax hike had been in effect these past few years, few if any of those companies would have located in the United States -- few if any of those jobs would have been created for Missourians.

And it's not just Missouri. Whether it's the Nissan plant in xx Tennessee -- whether it's the xx plant in xx, xx -- Governor Clinton's tax increase would be felt in every region of every state of this country.

*Ross* *Maybe* Governor Clinton *just doesn't understand* ~~forgets something about~~ international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander."

His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "Please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when that happened. It was in 1930. Right before the great depression.

No other major industrial nation has the kind of tax Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.

So let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners.

Well, let me tell Governor Clinton something: You can play politics ~~with~~, but those are American jobs you're playing politics with. Those are American workers you're putting at risk.

The American people won't buy it. We're bigger than that. The proudest people on earth have never stooped to fearmongers before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe what I do about America's ability to compete. Governor Clinton takes a different view, and it is borne of his life experience -- a life spent in government.

You see the difference on issue after issue. I understand that you boost the economy by cutting taxes. I understand that you cut the deficit by cutting spending. I understand that you open markets by tearing down barriers -- by sitting down at the table and hammering out a tough and fair agreement.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done. You didn't shrink from challenge, you embraced it. You didn't shrink from competition, you met it head on. You didn't retreat from foreign markets, you conquered them.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to

Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart. *for the American spirit.*

Thank you and God bless you.

# #




EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

8.26.92

92 AUG 26 10:20

**NOTICE:**

Enclosed are comments from staff members of the Office of Management and Budget (OMB). Such comments do not necessarily represent the official position of the Director of OMB or of the Office of Management and Budget. If you wish to have the Director's personal comments, please let me know -- and contact me if you have any questions.



James C. Murr  
Associate Director for  
Legislative Reference  
and Administration

**WHITE HOUSE STAFFING MEMORANDUM**

DATE: 08/25/92 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 a.m. 08/26

SUBJECT: PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC., ST. LOUIS, MO-  
08/27/92

|                | ACTION                              | FYI                                 |             | ACTION                              | FYI                                 |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MOORE       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BAKER          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MULLINS     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SCOWCROFT      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PETERSMEYER | <input type="checkbox"/>            | <input type="checkbox"/>            |
| DARMAN         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PORTER      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BRADY          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | PROVOST     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BROMLEY        | <input type="checkbox"/>            | <input type="checkbox"/>            | ROSS        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| CALIO          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | SMITH       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DEMAREST       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | TUTWILER    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | ZOELLICK    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| GRAY           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | KAUFMAN     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | MCGROARTY   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/>            | <input type="checkbox"/>            | BOSKIN      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| MCBRIDE        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |             | <input type="checkbox"/>            | <input type="checkbox"/>            |

REMARKS:

Please provide any comments directly to Dan McGroarty, Rm. 122,  
 x 2930, no later than 10:00 a.m. on Wednesday, 08/26, with a copy  
 to this office. Thanks.

RESPONSE:

*see comment*

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

(Ferguson/Walters)  
August 25, 1992  
6:40 p.m.  
STLOUIS

22 AUG 25 P6:43

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments, humor)

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. But now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an export superpower.

In this election, you'll hear two versions of how to do this. My opponents' answer is to look inward, and protect what we already have from the challenges of this new world. My approach is to look forward -- to open new markets, prepare our people to compete, to restore our social fabric -- to save and invest, so that we can win.

Twenty five years ago, where you're standing was a patch of bleak, undeveloped real estate. Now look around -- because of your dreams and hard-work, that patch of ground is a bustling factory, creating light bars and sirens that help save lives and keep the peace from Manila to Santiago.

There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

But you here at PSE know that's no longer good enough. So five years ago, you took on the world. I'm told that now 35 percent of what you build right here is sold outside our borders, in 66 different countries. That bold, forward-looking strategy has helped you weather the uncertainties of the past few years.

PSE's story is a parable for our entire country's economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a traveling salesman. And all around me in those days -- the fifties and early sixties -- I saw towns and businesses bloom from those dusty plains like desert flowers.

Why? The reason was simple: The world wanted what Texas had to offer -- cotton and cattle and crude.

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there.

June 1992 (s2) 38,284.3

June 1988 (s2) 26,655.7

3

Al. Samarin  
5873

43.6

1/2

I traveled the world -- to Europe and the Far East. Every dollar we could bring into this country was a dollar that went to expand our company, create jobs in our community.

I've seen it over and over again: as U.N. ambassador, envoy to China, and now as president. You learn how important America is to the world, but you also learn how important the world is to America -- not just for national security, not just for military preparedness, but for creating jobs, right here at home.

We've held steady to this vision for three years now, and with great success. As we knock down trade barriers, American companies are rushing to meet the demand. Exports are up ~~xxx~~ <sup>44%</sup> in the last ~~five~~ <sup>four</sup> years; America is once again the world's leading exporter.

Al. Samarin  
5873

What does that mean right here? I'll bring it closer to home. In Missouri, exports are up 37 percent over the last three years -- \$4.5 billion worth of goods shipped to 166 countries on every continent.

Impressive numbers, but when you get behind the abstractions of export figures and trade statistics, you find the real benefit of the new world economy -- in a word, it's jobs. Here in Missouri, 100,000 jobs are supported by foreign trade. Across the country, more than 7 million Americans are employed for the same reason.

That's the way the world works these days. It's a world where products can be shipped at the speed of sound and investment money can cross borders at the speed of light.

Everyone recognizes that the world is moving at a faster pace than ever, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we initialed the North American Free Trade Agreement, with the goal of creating one of the largest free-trade areas in the world -- an integrated economy worth more than \$6 trillion dollars.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will make that success look like kid's stuff.

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. It will protect the environment, and more important, it will protect American workers. And more: it will create new jobs for this generation and the next -- especially the kind of high-tech, high-wage jobs we'll be proud to pass on to our children.

We're going to take this case to the liberal Democrats on Capitol Hill, because they need to hear it. A free-trade agreement isn't a way of dividing up the economic pie, where one side's loss is another side's gain; it's a way of making the pie bigger for everyone who participates.

The liberals don't seem to get it. Right now, in fact, before our initials are even dry on the agreement, the liberals in Congress -- led by somebody who might be familiar to you,

Congressman Dick Gephardt -- are calling for us to slap a tariff on any new trade that comes from NAFTA.

Think about that for a minute -- ((which is a minute longer than they've thought about it)). After years of tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new tariff.

In other words, the only way they'll agree to reduce tariffs is if they can raise tariffs.

That's like telling us they want us to hit a homerun, but please don't hit it out of the park because we don't want to lose the ball.

This "transaction tax," as they call it, will increase the cost of goods you want to buy, and discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

Now, I suppose I could ask my opponent to help me out with his liberal Democrat colleagues on Capitol Hill. Governor Clinton says he's for free trade "in principle."

But "in practice" may be a different story. Actually, it's not clear where the governor stands. Last year, Mr. Clinton called a free-trade pact with Mexico "imperative." Then this April, the Washinton Post reported that the protectionists were "breathing easier" because he endorsed their trade position. Then in July, he said he was "applauding Majority Leader Gephardt's efforts."

This week, maybe the governor delivered his final word on the subject. He said he was studying our agreement. Then he said: "When I have a definitive opinion, I'll say so."

The way Governor Clinton wiggles on free trade, I'm not surprised he compares himself to Elvis.

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see trade barriers falling and they say: Hold everything. They see new markets for American goods and they say: Wait a minute. We can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away.

Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. We have the most productive workforce in the world. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States, with businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors are following a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

Now, this investment makes some people uneasy. I understand that -- particularly when the other side tries to stir up fear and resentment against foreign capital. I was in Utah not long ago, and a very articulate woman confronted me on the issue. I told her we probably couldn't see eye to eye on it, but I tried to tell her why I felt so strongly against the isolationism that would keep foreign investment out of America.

There was an irony in her timing. I had just returned from meeting with the heads of the industrialized countries in Munich, and while I was there I was pleased to team up with Governor Carroll of South Carolina and the head of BMW to announce a new BMW plant in South Carolina. That means 10,000 jobs to the people of that state.

Now, I don't think the 10,000 South Carolinians who get those jobs are going to argue against foreign investment. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line on foreign investment in the U.S.: jobs -- jobs for Americans, and growth for the American economy.

That's the way the world works in a global economy. Again, Governor Clinton just doesn't seem to understand. But he's not wiggling on the issue of foreign investment -- not at all. He's surveyed the issue and come out foresquare for -- you guessed it -- a tax increase.

He's proposed to increase taxes on foreign investment in the United States, each one of those companies that employ a total of 4 and one-half million Americans.

Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The Joint Committee on Taxation says that estimate is about 45 times too high.

Governor Clinton says his tax increase will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri.

If Governor Clinton's tax hike had been in effect these past few years, few if any of those companies would have located in the United States -- few if any of those jobs would have been created for Missourians.

And it's not just Missouri. Whether it's the Nissan plant in xx Tennessee -- whether it's the xx plant in xx, xx -- Governor Clinton's tax increase would be felt in every region of every state of this country.

Governor Clinton forgets something about international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander."

His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "Please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when that happened. It was in 1930. Right before the great depression.

No other major industrial nation has the kind of tax Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.

So let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners.

Well, let me tell Governor Clinton something: You can play politics with, but those are American jobs you're playing politics with. Those are American workers you're putting at risk.

The American people won't buy it. We're bigger than that. The proudest people on earth have never stooped to fearmongers before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe what I do about America's ability to compete. Governor Clinton takes a different view, and it is borne of his life experience -- a life spent in government.

You see the difference on issue after issue. I understand that you boost the economy by cutting taxes. I understand that you cut the deficit by cutting spending. I understand that you open markets by tearing down barriers -- by sitting down at the table and hammering out a tough and fair agreement.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done. You didn't shrink from challenge, you embraced it. You didn't shrink from competition, you met it head on. You didn't retreat from foreign markets, you conquered them.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to

Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart.

Thank you and God bless you.

# #

*Uction, K.C. Jung*  
*CC: DFB, PW + JDF*

Document No. 346876ss

WHITE HOUSE STAFFING MEMORANDUM

DATE: 08/25/92

*92 AUG 26 AU: 29*

ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 a.m. 08/26

SUBJECT: PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC., ST. LOUIS, MO-

08/27/92

|                | ACTION                              | FYI                                 |             | ACTION                              | FYI                                 |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MOORE       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BAKER          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MULLINS     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SCOWCROFT      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PETERSMEYER | <input type="checkbox"/>            | <input type="checkbox"/>            |
| DARMAN         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PORTER      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BRADY          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | PROVOST     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BROMLEY        | <input type="checkbox"/>            | <input type="checkbox"/>            | ROSS        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| CALIO          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | SMITH       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DEMAREST       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | TUTWILER    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | ZOELICK     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| GRAY           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | KAUFMAN     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | MCGROARTY   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/>            | <input type="checkbox"/>            | BOSKIN      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| MCBRIDE        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |             | <input type="checkbox"/>            | <input type="checkbox"/>            |

REMARKS:

Please provide any comments directly to Dan McGroarty, Rm.122, x 2930, no later than 10:00 a.m. on Wednesday, 08/26, with a copy to this office. Thanks.

RESPONSE:

*Comments*  
*P.3*  
*KC Jung*

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

(Ferguson/Walters)  
August 25, 1992  
6:40 p.m.  
STLOUIS

2 AUG 25 P 6:43

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments, humor)

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. But now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an export superpower.

In this election, you'll hear two versions of how to do this. My opponents' answer is to look inward, and protect what we already have from the challenges of this new world. My approach is to look forward -- to open new markets, prepare our people to compete, to restore our social fabric -- to save and invest, so that we can win.

Twenty five years ago, where you're standing was a patch of bleak, undeveloped real estate. Now look around -- because of your dreams and hard-work, that patch of ground is a bustling factory, creating light bars and sirens that help save lives and keep the peace from Manila to Santiago.

There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

But you here at PSE know that's no longer good enough. So five years ago, you took on the world. I'm told that now 35 percent of what you build right here is sold outside our borders, in 66 different countries. That bold, forward-looking strategy has helped you weather the uncertainties of the past few years.

PSE's story is a parable for our entire country's economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a traveling salesman. And all around me in those days -- the fifties and early sixties -- I saw towns and businesses bloom from those dusty plains like desert flowers.

Why? The reason was simple: The world wanted what Texas had to offer -- cotton and cattle and crude.

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there.

I traveled the world -- to Europe and the Far East. Every dollar we could bring into this country was a dollar that went to expand our company, create jobs in our community.

I've seen it over and over again: as U.N. ambassador, envoy to China, and now as president. You learn how important America is to the world, but you also learn how important the world is to America -- not just for national security, not just for military preparedness, but for creating jobs, right here at home.

We've held steady to this vision for three years now, and with great success. As we knock down trade barriers, American companies are rushing to meet the demand. Exports are up xxx in the last five years; America is once again the world's leading exporter.

*figures from US more than*

*60 Percent*

*Source: Economic Indicators July 92*

What does that mean right here? I'll bring it closer to home. In Missouri, exports are up <sup>39</sup> percent over the last <sup>two</sup> three years -- ~~\$4.5 billion~~ <sup>3.4 billion</sup> worth of goods shipped to 166 countries on every continent.

*Source Census Bureau / Department of Commerce FT-900 Supplement*

Impressive numbers, but when you get behind the abstractions of export figures and trade statistics, you find the real benefit of the new world economy -- in a word, it's jobs. Here in Missouri, <sup>more than 65,000</sup> ~~100,000~~ jobs are supported by foreign trade. Across the country, more than 7 million Americans are employed for the same reason.

That's the way the world works these days. It's a world where products can be shipped at the speed of sound and investment money can cross borders at the speed of light.

Everyone recognizes that the world is moving at a faster pace than ever, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we initialed the North American Free Trade Agreement, with the goal of creating one of the largest free-trade areas in the world -- an integrated economy worth more than \$6 trillion dollars.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will make that success look like kid's stuff.

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. It will protect the environment, and more important, it will protect American workers. And more: it will create new jobs for this generation and the next -- especially the kind of high-tech, high-wage jobs we'll be proud to pass on to our children.

We're going to take this case to the liberal Democrats on Capitol Hill, because they need to hear it. A free-trade agreement isn't a way of dividing up the economic pie, where one side's loss is another side's gain; it's a way of making the pie bigger for everyone who participates.

The liberals don't seem to get it. Right now, in fact, before our initials are even dry on the agreement, the liberals in Congress -- led by somebody who might be familiar to you,

Congressman Dick Gephardt -- are calling for us to slap a tariff on any new trade that comes from NAFTA.

Think about that for a minute -- ((which is a minute longer than they've thought about it)). After years of tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new tariff.

In other words, the only way they'll agree to reduce tariffs is if they can raise tariffs.

That's like telling us they want us to hit a homerun, but please don't hit it out of the park because we don't want to lose the ball.

This "transaction tax," as they call it, will increase the cost of goods you want to buy, and discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

Now, I suppose I could ask my opponent to help me out with his liberal Democrat colleagues on Capitol Hill. Governor Clinton says he's for free trade "in principle."

But "in practice" may be a different story. Actually, it's not clear where the governor stands. Last year, Mr. Clinton called a free-trade pact with Mexico "imperative." Then this April, the Washinton Post reported that the protectionists were "breathing easier" because he endorsed their trade position. Then in July, he said he was "applauding Majority Leader Gephardt's efforts."

This week, maybe the governor delivered his final word on the subject. He said he was studying our agreement. Then he said: "When I have a definitive opinion, I'll say so."

The way Governor Clinton wiggles on free trade, I'm not surprised he compares himself to Elvis.

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see trade barriers falling and they say: Hold everything. They see new markets for American goods and they say: Wait a minute. We can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away.

Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. We have the most productive workforce in the world. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States, with businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors are following a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

Now, this investment makes some people uneasy. I understand that -- particularly when the other side tries to stir up fear and resentment against foreign capital. I was in Utah not long ago, and a very articulate woman confronted me on the issue. I told her we probably couldn't see eye to eye on it, but I tried to tell her why I felt so strongly against the isolationism that would keep foreign investment out of America.

There was an irony in her timing. I had just returned from meeting with the heads of the industrialized countries in Munich, and while I was there I was pleased to team up with Governor Carroll of South Carolina and the head of BMW to announce a new BMW plant in South Carolina. That means 10,000 jobs to the people of that state.

Now, I don't think the 10,000 South Carolinians who get those jobs are going to argue against foreign investment. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line on foreign investment in the U.S.: jobs -- jobs for Americans, and growth for the American economy.

That's the way the world works in a global economy. Again, Governor Clinton just doesn't seem to understand. But he's not wiggling on the issue of foreign investment -- not at all. He's surveyed the issue and come out foresquare for -- you guessed it -- a tax increase.

He's proposed to increase taxes on foreign investment in the United States, each one of those companies that employ a total of 4 and one-half million Americans.

Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The Joint Committee on Taxation says that estimate is about 45 times too high.

Governor Clinton says his tax increase will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri.

If Governor Clinton's tax hike had been in effect these past few years, few if any of those companies would have located in the United States -- few if any of those jobs would have been created for Missourians.

And it's not just Missouri. Whether it's the Nissan plant in xx Tennessee -- whether it's the xx plant in xx, xx -- Governor Clinton's tax increase would be felt in every region of every state of this country.

Governor Clinton forgets something about international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander."

His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when that happened. It was in 1930. Right before the great depression.

No other major industrial nation has the kind of tax Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.

So let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners.

Well, let me tell Governor Clinton something: You can play politics with, but those are American jobs you're playing politics with. Those are American workers you're putting at risk.

The American people won't buy it. We're bigger than that. The proudest people on earth have never stooped to fearmongers before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe what I do about America's ability to compete. Governor Clinton takes a different view, and it is borne of his life experience -- a life spent in government.

You see the difference on issue after issue. I understand that you boost the economy by cutting taxes. I understand that you cut the deficit by cutting spending. I understand that you open markets by tearing down barriers -- by sitting down at the table and hammering out a tough and fair agreement.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done. You didn't shrink from challenge, you embraced it. You didn't shrink from competition, you met it head on. You didn't retreat from foreign markets, you conquered them.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to

Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart.

Thank you and God bless you.

# #

THE WHITE HOUSE

WASHINGTON

92 AUG 26 12 03  
August 26, 1992

MEMORANDUM FOR DAN MCGROARTY

FROM:

ROGER B. PORTER *RBP*

SUBJECT:

Presidential Remarks: Public Safety Equipment

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

Please let us know if you have any questions or if we may help in any other way.

cc: Phillip D. Brady

**WHITE HOUSE STAFFING MEMORANDUM**

DATE: 08/25/92 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 a.m. 08/26

SUBJECT: PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC., ST. LOUIS, MO-  
08/27/92

|                | ACTION                              | FYI                                 |             | ACTION                              | FYI                                 |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MOORE       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BAKER          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MULLINS     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SCOWCROFT      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PETERSMEYER | <input type="checkbox"/>            | <input type="checkbox"/>            |
| DARMAN         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PORTER      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BRADY          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | PROVOST     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BROMLEY        | <input type="checkbox"/>            | <input type="checkbox"/>            | ROSS        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| CALIO          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | SMITH       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DEMAREST       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | TUTWILER    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | ZOELICK     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| GRAY           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | KAUFMAN     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | MCGROARTY   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/>            | <input type="checkbox"/>            | BOSKIN      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| MCBRIDE        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |             | <input type="checkbox"/>            | <input type="checkbox"/>            |

**REMARKS:**

Please provide any comments directly to Dan McGroarty, Rm.122, x 2930, no later than 10:00 a.m. on Wednesday, 08/26, with a copy to this office. Thanks.

**RESPONSE:**

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

(Ferguson/Walters)  
August 25, 1992  
6:40 p.m.  
STLOUIS

AUG 25 P6:43

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments, humor)

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. ~~But~~ now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an <sup>WORLD TRADE</sup> export superpower.

In this election, you'll hear two versions of how to ~~do~~ <sup>ADVANCE</sup> this. My opponents' answer is to look inward, and protect what we already have from the challenges of this new world. My approach is to look forward -- to open new markets, <sup>TO</sup> prepare our people to compete, to restore our social fabric -- to <sup>PROMOTE</sup> save and <sup>MENT</sup> invest, so that <sup>AGAIN</sup> we can win.

Twenty five years ago, <sup>THE GROUND WE'RE</sup> ~~where you're~~ <sup>ON</sup> standing ~~was~~ a patch of bleak, undeveloped real estate. Now look around -- because of your dreams and hard-work, that patch of ground is a bustling factory, creating light bars and sirens that help save lives and keep the peace from Manila to Santiago.

There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

But you here at PSE know that's no longer good enough. So five years ago, you ~~took on the world~~. I'm told that ~~now~~ 35 percent of what you build right here is <sup>now</sup> sold outside our borders, in 66 different countries. That bold, forward-looking strategy has helped you weather the uncertainties of the past few years.

X INTERNATIONAL MARKETS.

PSE's story is a parable for our ~~entire country's~~ <sup>NATION'S</sup> economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a traveling salesman. And all around me in those days -- the fifties and early sixties -- I saw towns and businesses bloom from those dusty plains like desert flowers.

Why? The reason was simple: The world wanted what Texas had to offer -- cotton, ~~and~~ cattle and crude.

X

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there.

I traveled the world -- to Europe and the Far East. Every dollar we could bring into this country was a dollar that went to expand our company, <sup>AND</sup> create jobs in our community. X

I've seen it over and over again: as U.N. ambassador, envoy to China, and now as president. You learn how important America is to the world, but you also learn how important the world is to America -- not just for national security, not just for military preparedness, but for creating jobs, right here at home.

We've held steady to this vision for three years now, and with great success. As we knock down trade barriers, American companies are rushing to meet the <sup>INCREASED</sup> demand. Exports are up xxx in the last five years; America is once again the world's leading exporter. X

What does that mean right here? I'll bring it closer to home. In Missouri, exports are up 37 percent over the last three years -- \$4.5 billion worth of goods shipped to 166 countries on every continent.

Impressive numbers, but when you get behind the abstractions of export figures and trade statistics, you find the real benefit of the new world economy -- ~~in a word, it's~~ jobs. Here in Missouri, 100,000 jobs are supported by foreign trade. Across the country, more than 7 million Americans are employed for the same reason. X

That's the way the world works these days. It's a world where products can be shipped at the speed of sound and investment money can <sup>BE TRANSFERRED</sup> ~~cross borders~~ at the speed of light. X

Everyone recognizes that the world is moving at a faster pace than ever, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we initialed the North American Free Trade Agreement, with the goal of creating one of the largest free-trade areas in the world -- an integrated economy worth more than \$6 trillion dollars.

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will make that success look like kid's stuff.

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. It will protect the environment, and more important, it will protect American workers, ~~And more it will~~ create new jobs for this generation and the next -- especially the kind of high-tech, high-wage jobs we'll be proud to pass on to our children. X

We're going to take this case to the liberal Democrats on Capitol Hill, because they need to hear it. A free-trade agreement isn't a way of dividing up the economic pie, where one side's loss is another side's gain; it's a way of making the pie bigger for everyone who participates. X

The liberals don't seem to get it. Right now, in fact, before our initials are even dry on the agreement, the liberals in Congress -- led by somebody who might be familiar to you,

Congressman Dick Gephardt -- are calling for us to slap a tariff on any new trade that comes from NAFTA.

Think about that for a minute -- ((which is a minute longer than they've thought about it)). After years of tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new tariff.

In other words, the only way they'll agree to reduce tariffs is if they can raise tariffs.

That's like telling us they want us to hit a homerun, but please don't hit it out of the park because we don't want to lose the ball.

This "transaction tax," as they call it, will increase the cost of goods you want to buy, and discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

Now, I suppose I could ask my opponent to help me out with his liberal Democrat colleagues on Capitol Hill. Governor Clinton says he's for free trade "in principle."

But "in practice" may be a different story. Actually, it's not clear where the governor stands. Last year, Mr. Clinton called a free-trade pact with Mexico "imperative." Then this April, the Washinton Post reported that the protectionists were "breathing easier" because he endorsed their trade position. Then in July, he said he was "applauding Majority Leader Gephardt's efforts."

This week, maybe the governor delivered his final word on the subject. He said he was studying our agreement. Then he said: "When I have a definitive opinion, I'll say so."

The way Governor Clinton wiggles on free trade, I'm not surprised he compares himself to Elvis.

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see trade barriers falling and they say: Hold everything. They see new markets for American goods and they say: Wait a minute. ~~We~~ can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away. *AMERICANS*

Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. We have the most productive workforce in the world. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States, with businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors are following a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

Now, this investment makes some people uneasy. I understand that -- particularly when the other side tries to stir up fear and resentment against foreign capital. I was in Utah not long ago, and a very articulate woman confronted me on the issue. I told her we probably couldn't see eye to eye on it, but I tried to tell her why I ~~felt~~<sup>FEEL</sup> so strongly against the isolationism that would keep foreign investment out of America.

There was an irony in her timing. I had just returned from meeting with the heads of the industrialized countries in Munich, and while I was there I was pleased to team up with Governor <sup>CAMPBELL</sup> Carroll of South Carolina and the head of BMW to announce a new BMW plant in South Carolina. That ~~means~~<sup>WILL CREATE</sup> 10,000 jobs ~~to~~<sup>FOR</sup> the people of that state. X

Now, I don't think the 10,000 South Carolinians who get those jobs are going to argue against foreign investment. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. ~~That's~~<sup>IS IT CREATES</sup> the bottom line on foreign investment in the U.S. ~~jobs~~<sup>jobs</sup> -- jobs for Americans, and growth for the American economy. X

That's the way the world works in a global economy. Again, Governor Clinton just doesn't seem to understand. But he's not wiggling on the issue of foreign investment -- not at all. He's surveyed the issue and come out foresquare for -- you guessed it -- a tax increase.

He's proposed to increase taxes on foreign investment in the United States, each one of those companies that employ a total of 4 and one-half million Americans.

Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The Joint Committee on Taxation says that estimate is about 45 times too high.

Governor Clinton says his tax increase will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. <sup>? POWER OR POWDER</sup> Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri. ✓

If Governor Clinton's tax hike had been in effect these past few years, few if any of those companies would have located in the United States -- few if any of those jobs would have been created for Missourians. ✓

And it's not just Missouri. Whether it's the Nissan plant in xx Tennessee -- whether it's the xx plant in xx, xx -- Governor Clinton's tax increase would be felt in every region of every state of this country.

Governor Clinton forgets something about international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander."

His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "Please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when that happened. It was in 1930. Right before the great depression.

No other major industrial nation has the kind of tax Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.

So let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners. <sup>COMPETITION</sup>

Well, let me tell Governor Clinton something: ~~You can play~~ <sup>STOP</sup> ~~INB~~ politics <sup>g</sup> with, ~~but~~ those are American jobs you're playing politics with, <sup>AND</sup> ~~These are~~ American workers you're putting at risk.

The American people won't buy it. We're bigger than that. The proudest people on earth have never stooped to fearmongers before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe <sup>IN</sup> ~~what I do about~~ America's ability to compete. <sup>AND THE IMPORTANCE OF MEETING</sup> Governor Clinton takes a different view, and it is borne of his life experience -- a life spent <sup>DRAWING A</sup> <sup>PAYCHECK</sup> ~~in~~ government.

You see the difference on issue after issue. I understand that you boost the economy by cutting taxes. I understand that you cut the deficit by cutting spending. I understand that you open markets by tearing down barriers -- by sitting down at the table and hammering out a tough and fair agreement.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done. You didn't shrink from challenge, you embraced it. You didn't shrink from competition, you met it head on. You didn't retreat from foreign markets, you conquered them.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to

HEAD-ON THE CHALLENGES WE FACE AS A NATION

Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart.

Thank you and God bless you.

# #

*Also: J.D. Foster*

*Rm. 320*

Document No. 346876ss

**WHITE HOUSE STAFFING MEMORANDUM**

*97 AUG 26 12:58*

DATE: 08/25/92 ACTION/CONCURRENCE/COMMENT DUE BY: 10:00 a.m. 08/26

SUBJECT: PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC., ST. LOUIS, MO-

08/27/92

|                | ACTION                              | FYI                                 |             | ACTION                              | FYI                                 |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MOORE       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BAKER          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | MULLINS     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SCOWCROFT      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PETERSMEYER | <input type="checkbox"/>            | <input type="checkbox"/>            |
| DARMAN         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | PORTER      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BRADY          | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | PROVOST     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| BROMLEY        | <input type="checkbox"/>            | <input type="checkbox"/>            | ROSS        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| CALIO          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | SMITH       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DEMAREST       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | TUTWILER    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| FITZWATER      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | ZOELICK     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| GRAY           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | KAUFMAN     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HOLIDAY        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | MCGROARTY   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| HORNER         | <input type="checkbox"/>            | <input type="checkbox"/>            | BOSKIN      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| MCBRIDE        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |             | <input type="checkbox"/>            | <input type="checkbox"/>            |

REMARKS:

Please provide any comments directly to Dan McGroarty, Rm.122, x 2930, no later than 10:00 a.m. on Wednesday, 08/26, with a copy to this office. Thanks.

RESPONSE:

*See comments. TO: Paul Kosfonta  
PK 08/26 12 pgs*

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

(Ferguson/Walters)

August 25, 1992

6:40 p.m.

STLOUIS

2 AUG 25 P6:43

PRESIDENTIAL REMARKS: PUBLIC SAFETY EQUIPMENT, INC.  
ST. LOUIS, MISSOURI  
AUGUST 27, 1992  
9:00 A.M. (??)

Thank you and good morning.

(Acknowledgments, humor)

Together we have seen a world transformed these past three and a half years -- a world made new by American strength and resolve. But now that the Cold War is over, the defining challenge of the '90s is to win the economic competition of the new global economy -- to win the peace.

Our goal is simple and profound: We must be a military superpower, an economic superpower and an export superpower.

In this election, you'll hear two versions of how to do this. My opponents' answer is to look inward, and protect what we already have from the challenges of this new world. My approach is to look forward -- to open new markets, prepare our people to compete, to restore our social fabric -- to save and invest, so that we can win.

Twenty five years ago, where you're standing was a patch of bleak, undeveloped real estate. Now look around -- because of your dreams and hard-work, that patch of ground is a bustling factory, creating light bars and sirens that help save lives and keep the peace from Manila to Santiago.

2

There was a time when companies like PSE could be satisfied with a national market -- sell your goods in the fifty states and leave it at that.

But you here at PSE know that's no longer good enough. So five years ago, you took on the world. I'm told that now 35 percent of what you build right here is sold outside our borders, in 66 different countries. That bold, forward-looking strategy has helped you weather the uncertainties of the past few years.

PSE's story is a parable for our entire country's economic future -- never settling for less, always pushing ahead, embracing the challenges of foreign competition and reshaping them as opportunities.

Let me offer a personal note -- tell you how I learned about competing in the world.

I spent a good part of my life out in West Texas, in the oil business. I painted rigs for a while, even lived out of a suitcase as a traveling salesman. And all around me in those days -- the fifties and early sixties -- I saw towns and businesses bloom from those dusty plains like desert flowers.

Why? The reason was simple: The world wanted what Texas had to offer -- cotton and cattle and crude.

We understood that the more goods we sold outside our borders, the more jobs we could create within them.

Later on, when I started my own business, I learned again: we had to take a global view to compete. I shopped for investors on the west coast, on the east coast, but I couldn't stop there.

I traveled the world -- to Europe and the Far East. Every dollar we could bring into this country was a dollar that went to expand our company, create jobs in our community.

I've seen it over and over again: as U.N. ambassador, envoy to China, and now as president. You learn how important America is to the world, but you also learn how important the world is to America -- not just for national security, not just for military preparedness, but for creating jobs, right here at home.

We've held steady to this vision for three years now, and with great success. As we knock down trade barriers, American companies are rushing to meet the demand. Exports are up ~~xxx~~ in the last five years; America is once again the world's leading exporter.

What does that mean right here? I'll bring it closer to home. In Missouri, exports are up 37 percent over the last three years -- ~~\$4.5~~<sup>3.8</sup> billion worth of goods shipped to ~~166~~<sup>151</sup> countries on every continent.

Impressive numbers, but when you get behind the abstractions of export figures and trade statistics, you find the real benefit of the new world economy -- in a word, it's jobs. Here in Missouri, ~~100,000~~<sup>150,000</sup> jobs are supported by ~~foreign trade~~<sup>exports</sup>. Across the country, more than 7 million Americans are employed for the same reason.

That's the way the world works these days. It's a world where products can be shipped at the speed of sound and investment money can cross borders at the speed of light.

exports based on current economic growth "constant dollar" basis  
↑  
(USTR)  
2/3's  
64% mech. goods  
67% goods/services

DOC - USTR disagree on numbers... I will talk w/ you about this

(DOC)  
36%  
'86-'91  
↓  
based on current dollars including inflation, may not be accurate

(DOC)

(USTR)

Everyone recognizes that the world is moving at a faster pace than ever, but I see something more: it's moving our way. Right now we're building on the export success of the last three years. Two weeks ago we entered a new era of open trade. Along with Mexico and Canada, we <sup>concluded</sup> ~~initiated~~ the North American Free Trade Agreement, with the goal of creating one of the largest free-trade areas in the world -- an integrated <sup>market</sup> ~~economy~~ worth more than \$6 trillion dollars. (USTR)

Here in Missouri, you already export \$2 billion worth of goods to Mexico and Canada, <sup>and those exports support 75,000 jobs.</sup> That's a lot of paychecks, but our new agreement will make that success look like kid's stuff. (USTR)

*NAFTA*

NAFTA is a solid agreement -- when you've been in as many tough negotiations as I have, you learn to tell the difference. It will protect the environment, and more important, ~~it will~~ <sup>protect American workers.</sup> ~~And more,~~ it will create new jobs for this generation and the next -- especially the kind of high-tech, high-wage jobs we'll be proud to pass on to our children. (USTR)

We're going to take this case to the liberal Democrats on Capitol Hill, because they need to hear it. A free-trade agreement isn't a way of dividing up the economic pie, where one side's loss is another side's gain; it's a way of making the pie bigger for everyone who participates. <sup>should add export-related jobs are higher paying jobs</sup>

The liberals don't seem to get it. Right now, in fact, before our ~~initials~~ <sup>are even dry</sup> on the agreement, the liberals in Congress -- led by <sup>somebody</sup> who might be familiar to you,

*Hasn't been initiated*

5

technically it is  
a "tax" ... But  
"tariff" may be o.k.  
(your call) (ASTR)  
tax

Congressman Dick Gephardt -- are calling for us to slap a ~~tariff~~ on any new trade that comes from NAFTA.

Think about that for a minute -- ((which is a minute longer than they've thought about it)). After years of tough negotiations with our two closest trading partners, we've agreed to end tariffs. The congressional Democrats say: Okay, fine. But first you have to put on a new ~~tariff~~ <sup>tax</sup>.

In other words, the only way they'll agree to reduce tariffs is if they can raise ~~tariffs~~ <sup>taxes</sup>.

That's like telling us they want us to hit a homerun, but please don't hit it out of the park because we don't want to lose the ball.

This "transaction tax," as they call it, will increase the cost of goods you want to buy, and discourage the creation of new jobs for you and your neighbors. It turns the agreement on its head -- defeats the whole purpose.

Now, I suppose I could ask my opponent to help me out with his liberal Democrat colleagues on Capitol Hill. Governor Clinton says he's for free trade "in principle."

But "in practice" may be a different story. Actually, it's not clear where the governor stands. Last year, Mr. Clinton called a free-trade pact with Mexico "imperative." Then this April, the Washinton Post reported that the protectionists were "breathing easier" because he endorsed their trade position. Then in July, he said he was "applauding Majority Leader Gephardt's efforts."

6

This week, maybe the governor delivered his final word on the subject. He said he was studying our agreement. Then he said: "When I have a definitive opinion, I'll say so."

The way Governor Clinton wiggles on free trade, I'm not surprised he compares himself to Elvis.

No matter how much Governor Clinton would like to fudge the issue, the difference couldn't be clearer -- and the difference is based on two very different views of America's future. My opponents see trade barriers falling and they say: Hold everything. They see new markets for American goods and they say: Wait a minute. We can't compete. The American worker can't cut it. So let's pull down the blinds, lock the doors and hope the world goes away.

Well, let me tell them something you already know. The American worker doesn't have to hide from anybody. We have the most productive workforce in the world. Americans can outwork, out-think, out-compete anybody, anywhere, anytime.

That's something everyone in the world seems to understand - everyone but the protectionist Democrats. Over the last decade, we've seen a flood of foreign investment in the United States, with businesses from all over the world setting up shop from Portland, Oregon to Portland, Maine. These investors are following a simple logic: if you want the best science and universities in the world, if you want the best workers in the world, you have to come to the U.S.A.

7

Now, this investment makes some people uneasy. I understand that -- particularly when the other side tries to stir up fear and resentment against foreign capital. I was in Utah not long ago, and a very articulate woman confronted me on the issue. I told her we probably couldn't see eye to eye on it, but I tried to tell her why I felt so strongly against the isolationism that would keep foreign investment out of America.

There was an irony in her timing. I had just returned from meeting with the heads of the industrialized countries in Munich, and while I was there I was pleased to team up with Governor Carroll of South Carolina and the head of BMW to announce a new BMW plant in South Carolina. That means 10,000 jobs to the people of that state.

Now, I don't think the 10,000 South Carolinians who get those jobs are going to argue against foreign investment. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line on foreign investment in the U.S.: jobs -- jobs for Americans, and growth for the American economy.

That's the way the world works in a global economy. Again, Governor Clinton just doesn't seem to understand. But he's not wiggling on the issue of foreign investment -- not at all. He's surveyed the issue and come out foresquare for -- you guessed it -- a tax increase.

*estimated & similar proposal, which they review that G.C.'s estimate was at least ten times too high.*

He's proposed to increase taxes on foreign investment in the United States, *by making each of them pay for more than domestically owned companies*, each one of those companies that employ a total of 4 and one-half million Americans. *Could be open to criticism here..*

Governor Clinton says his new tax will raise \$45 billion. He might want to talk to his own Democrats on Capitol Hill. The Joint Committee on Taxation says that estimate is about *at least* 45 times *may not be accurate* too high. *(Texas.)* *they are estimating Postenkauskis proposal ... not Clinton's proposal.*

Governor Clinton says his ~~tax increase~~ *proposal* will "crack down" on foreign companies, but all it will really do is drive them out. And if they go, they'll take those jobs with them.

Travel around this state. Go to New Madrid (MA-drid), talk to the 1200 employees at Noranda Aluminum -- or to Joplin, talk to the 425 employees of Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers right here in Missouri. ✓

If Governor Clinton's tax hike had been in effect these past few years, few if any of those companies would have located in the United States -- few if any of those jobs would have been created for Missourians.

And it's not just Missouri. Whether it's the Nissan plant in *Smyrna* Tennessee -- whether it's the *Honda* xx plant in xx, xx -- *Merriville, Ohio* Governor Clinton's tax increase would be felt in every region of every state of this country. *(Tennessee)*

Governor Clinton forgets something about international relations. If he raises this tax, our foreign competitors are going to say: "What's good for the goose is good for the gander."

His tax is like a gilded invitation sent to foreign governments where U.S. companies also do business. And the invitation reads: "Please retaliate."

The result would be not just a reduction in investment here, but a contraction worldwide. There was another occasion when that happened. It was in 1930. Right before the great depression.

No other major industrial nation has the kind of tax Governor Clinton proposes -- not Germany, not Japan. But I can tell you one nation that does tax foreign investment as he would like: India.

*India's current law may not tax foreign investment... They have been progressive as of late. (will be in touch w/you on this)*

Well, here's a promise I am proud to make: As long as I am president, India will not be a model for how to conduct economic policy in the United States of America.

So let's review the facts about Governor Clinton's tax: It won't raise revenue. It won't create a single job. It will discourage investment. And it threatens to start a trade war at the very moment when markets the world over are opening up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. I can tell you why. Today change is accelerating, and change breeds uneasiness, skepticism, even fear. And by disparaging foreign investment, Governor Clinton hopes to exploit the darker fears of this uncertain age -- fear of the future, fear of the unknown, fear of foreigners.

*(Trogary)*  
*wrong approach.*  
*Don't make sense*  
*Get another example like Germany*  
*retaliate on U.S. investment in Germany*

*(USTA)*

10

Well, let me tell Governor Clinton something: You can play politics with, but those are American jobs you're playing politics with. Those are American workers you're putting at risk.

The American people won't buy it. We're bigger than that. The proudest people on earth have never stooped to fearmongers before, and we're not going to start now.

In talking about America's future in the global economy, I mentioned my own experience, because I want you to understand why I believe what I do about America's ability to compete. Governor Clinton takes a different view, and it is borne of his life experience -- a life spent in government.

You see the difference on issue after issue. I understand that you boost the economy by cutting taxes. I understand that you cut the deficit by cutting spending. I understand that you open markets by tearing down barriers -- by sitting down at the table and hammering out a tough and fair agreement.

So the American people have a clear choice this year. It's a choice between the patrons of the past and the architects of the future. I believe we can shape what lies ahead -- not by turning away from challenges but by doing what you here at PSE have done. You didn't shrink from challenge, you embraced it. You didn't shrink from competition, you met it head on. You didn't retreat from foreign markets, you conquered them.

I have faith in America's future -- because I have faith in the American people. It's the same faith that brought me out to

11

Texas more than 40 years ago -- the same faith that brought me into public life -- the same faith that has led me to fight for open markets -- because I know that no challenge is too great for the American heart.

Thank you and God bless you.

# #

- ① They should pay every dollar they owe, <sup>fair share</sup>  
and we've strengthened the IRS they pay it.
- ② GC way beyond what is sensible

Missouri Speech  
Comments.

Andy:

RON KAUFMAN WOULD LIKE TO SEE US MENTION AN ARKANSAS PLANT THAT'S FOREIGN OWNED. IF WE FIND A GOOD ONE, THAT'S A GREAT IDEA....

HENSON MOORE WANTS US TO DO A RAPID-FIRE RUN THRU OF FOUR OR FIVE CLINTON TAXES IN THIS AND EVERY SPEECH.....

AMH

Please return to  
Speech file.