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WHITE HOUSE STAFFING MEMORANDUM

DATE: 9/25/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE CHICAGO, IL - FRIDAY, SEPT. 25

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MULLINS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input 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 checked="" 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"/>	ZOELICK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MCGROARTY</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	<u>GROOMES</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BOSKIN		<input checked="" type="checkbox"/>			

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

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

PRESIDENTIAL REMARKS:

(Grady, 9/22/92)
NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

202 00 47:30

Thank you, Governor Edgar, for that introduction. Illinois' most famous son, and the first Illinois Republican, Abraham Lincoln, once said that: "The struggle of today is not altogether for today -- it is for a vast future, also."

That is why I have come to this great University, to the city in the heart of the most confident nation on earth, to talk to you today. In less than six weeks, you face a fundamental choice about the America's future -- about the kind of America we will seek to build, about the direction we will take.

A few weeks ago in Detroit, I laid out the direction in which I hope to go -- I called my plan an Agenda for American Renewal. My strategy is integrated -- tying economic policy and foreign policy and domestic policy together, because, in fact, they are related.

I put it simply: our defining challenge is to win the economic competition, to win the peace. So my Agenda outlines the steps we can take today to make America more competitive both now and in the future -- and one key step is to invest in technology.

Today I want to talk to you about my program for investing in civilian research and development. And I want to talk about how we can speed the process through which American businesses and entrepreneurs can turn the fruits of that R&D into successful products and American jobs.

I included investment in civilian R&D in my Agenda for American Renewal for a very specific reason. In the information

age, when capital and ideas can move around the world literally in seconds, investments in R&D and in the technologies of tomorrow can improve our productivity. That is the key to increasing economic growth. And growth means an improved standard of living for the American people.

In the old days, economists would tell you that capital and labor were the two ingredients you needed to make the economy produce. Today, it's universally accepted that a third ingredient is needed: knowledge.

We need the best ideas in the world -- and we have always had them. For decades, American scientists have produced the most scientific literature, the most new patents, the most Nobel prizes. And we are investing in basic research to keep that lead.

But to win today's economic competition, we need processes that can speed their route from the laboratory to the marketplace. We need investments in applied R&D. We need capital to turn the abstract idea into the concrete reality. And we need a workforce with the brainpower and the skills to take these technologies and turn them into the best quality products anywhere on earth.

If we succeed in creating these building blocks, we will succeed in creating jobs. Just look Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. Illinois is America's number one manufacturer of telecommunications equipment.

The dictionary defines technology as "the application of knowledge for practical ends." And I have come to Illinois this

morning with an example of technology's real life, practical benefits.

Two years ago, we broke through a decade-long Congressional logjam and passed a Clean Air Act that will mean better health and cleaner air for millions of Americans. New monitors to measure powerplant emissions made possible a trading system in sulfur dioxide which will allow us to cut acid rain at a billion dollars a year less cost to electric consumers than the old command-and-control style regulations.

Today, I am pleased to announce the selection by EPA of the Chicago Board of Trade to run the auction and sale of these sulfur dioxide allowances. Now they'll be traded right next to pork bellies. Through this trading system, we can harness the power of the marketplace in the service of the environment.

That example underlines a key element of the approach we take to technology policy. My Agenda states that we must sharpen the competitive edge of American business, but it rests on the core belief that the source of America's success has always been the immense power of entrepreneurial capitalism. And that is a key difference from the vision of my opponent in this election.

You see, Governor Clinton has also been talking about investing in civilian R&D during this election. But my opponent's rhetoric falls short in four key respects.

First, he puts his faith in the ability of government to pick the right investments, to control the resources, to determine which particular products and processes will be favored by the bureaucrats in Washington. I want to empower the entrepreneur to

develop a range of products, picked not by the planner but by the power of the marketplace.

Second, while Governor Clinton may be claiming he's going to make the right play, Congress is intercepting the ball and running it in the opposite direction. In each of the past four years, my R&D budget has been cut by Governor Clinton's allies in the other party -- the pork happy partisans on Capitol Hill.

In fact, right now, this year, the Democratic leaders in the Congress -- with whom the Clinton campaign is consulting each and every day -- have slashed my proposed increase for the National Science Foundation, headed by Chicago's own Walter Massey. They've zeroed out my proposed initiative in magnetically-levitated high speed rail. They've reduced our investments in computers, and advanced materials and manufacturing R&D.

And Governor Clinton's own plan -- for all his talk about research -- would gut the foundation of America's science and technology enterprise by cutting university reimbursements for R&D by \$3 billion -- almost one-third. Under his plan, the ability of great universities like the University of Chicago to conduct world-class research would be compromised.

Third, the promises of Candidate Clinton don't match the record of Governor Clinton. The most recent report card on technology indicators, published by the Corporation for Enterprise Development, rated Arkansas near the very bottom among states in virtually every category. For "technology resources", Arkansas received an "F".

After 12 years with Bill Clinton as Governor, Arkansas ranks 48th in percentage of adults with high school students. Three-quarters of Arkansas' high school graduates need remedial education when they get to college. So it's hard for Bill Clinton to talk about high tech when the residents of his state have to worry about getting out of high school.

Finally, and most importantly, he proposes to finance his many promises with a massive tax increase that will smother the very growth on which our success depends. I had a Freudian slip the other day and called Governor Clinton "Governor Taxes."

Well, Bill Clinton has proposed the largest tax increase in American history, \$150 billion, and that's just for starters. To pay for his other promises, he will tax small businesses -- the main source of jobs in our economy and heroes of high technology. So let's be clear: Bill Clinton's high tax policies will kill high tech businesses.

What it comes down to is this. America is at a crossroads. For the first time in 50 years, our country is involved today in no major conflicts anywhere on earth. We face an unprecedented opportunity. And there are two directions we can take.

The direction I propose, at its heart, is future-oriented, outward looking. I do not believe that Americans should fear competition. Because I believe we can compete and win. So I have worked to open markets, to get our work force ready to compete, and, both as a government and as a society, to invest in the future.

In short, I believe we should compete, not retreat.

And I believe we can do it without a massive expansion of the Federal government that reaches into the pocket of every American taxpayer.

Let me talk about the elements of this competition. First, open markets. My opponent says America is in decline. But the fact is that we are winning new markets for American goods and services right now. Just look at our export performance over these past four years. We have increased exports by 40%. We have gained worldwide market share in manufacturing output. Our exports to Japan have grown 12 times faster than our imports. And high tech exports have led the way. Since 1987, our trade surplus in advanced technology products has grown by more than 80%. So I have a message for the pessimists: we can compete, and we can win.

For us to continue to win new markets for America, we need a more open world trading regime. So we have worked to complete the North American Free Trade Agreement -- NAFTA -- which will create almost 200,000 jobs right here in the United States. We have worked for a successful conclusion of the Uruguay round. We have completed individual agreements to open markets in Japan, Korea, Mexico, and countries around the world.

Those agreements have protected intellectual property rights, and with it them the incentive to generate new ideas and create new products. The results have been striking: exports to Mexico are up 66% in just 4 years. Our exports to Japan have grown 12 times as fast as our imports -- and the fastest growth has been in the sectors we have worked to open, such as computers, satellites, telecommunications equipment.

Now my opponent has waffled on NAFTA. He would risk our ability to expand trade by supporting anti-trade legislation on Capitol Hill. And his tax on foreign investment in the United States will not only lock out high wage, high skill jobs -- it will invite retaliation that will undercut the growth in exports which is so key to the growth in the economy.

Let's talk about education -- preparing our children to meet the challenges of the 21st century economy. Governor Clinton has said that we've reduced investment in education. He is wrong. Education this year got the biggest increase in my budget -- it's up 41% over 1989. And we've placed a particular emphasis on math and science education, which has been increased by over 130 percent.

Our math science education initiative will use Federal assets to help train over 770,000 teachers in the math and science skills they need to teach our kids. But we've gone beyond that to true reform of education -- stressing standards, accountability, and choice. Because I believe that parents have a right to know which schools are performing best, and they should have the right to choose which schools will serve their children best.

And let's talk about investing in the future. We've been working to promote the technologies that will make us more competitive in the future. But it's time to set the record straight on this. The Governor, unchallenged by these enterprising reporters with us here today from the national media, has said that we've "reduced investment in civilian R&D." That is simply untrue.

Here is the record. My budget this year would increase civilian R&D by 44% over 1989 levels. Civilian basic research is up 36%. And applied civilian R&D is up 49%. So when the Governor talks about investing in civilian R&D, the fact is we're already doing it.

Let me explain what we're doing.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's. Our vision is to develop a supercomputer the size of a desktop PC -- and to do it within four years.

We also proposed a nationwide communications network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

Last year, we launched another crosscutting technology plan -- an investment of over \$1.8 billion in the materials of tomorrow. These new kinds of materials will help us make products that are stronger, lighter, and faster -- everything from cars to airplanes to military equipment.

We've launched a \$4 billion program in biotechnology research -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, grow more crops, and clean up the environment.

We're using technology to tackle an unfortunate legacy of the Cold War -- the environmental problems left from making weapons

that defended freedom around the globe. Winning the peace means managing dangerous materials more effectively. Today, we're using the scientific expertise of the Federal labs -- whose scientists first devised these bombs -- to find new technologies for stopping weapons proliferation, and for protecting our children from environmental threats.

I'm here today, however, because a successful strategy for winning the economic competition requires more than just investment in R&D -- whether basic or applied. In a fast-paced world of shorter product cycles and faster communications, the key to victory is moving ideas and technologies from the laboratory bench to the commercial marketplace faster than ever before.

That's what this National Technology Initiative, or NTI, is all about. This is the eleventh NTI meeting we've had -- each in a different part of the country; each designed to help speed the transfer of technology from our Federal labs and universities to the private and commercial sector.

We're working to make it easier to deal with the Federal government as a partner. If you attend the workshops and visit the technology fair, you'll get a window on today's opportunities, and an early start on tomorrow's successes.

One year ago, I directed the Secretaries of Commerce and Energy to increase the number of cooperative research and development agreements signed between our Federal facilities and private partners. These CRADAs ((CRAY-DAHS)), as they are called, help speed the transfer of the most promising technologies to the

private sector -- so they can be developed into commercial products and services.

And in the one year since that directive was issued -- we've doubled the number of these agreements. There are now more than 1,400 operating and in place. Computers. Ceramics. Environmental cleanup. We are achieving an unprecedented level of success in taking the best ideas from our labs and turning them into American products and American jobs.

Today we are signing several new breakthrough agreements. One involves two Federal labs and three private industry partners -- working to determine the right mix for burning pelletized trash along with coal to generate electricity. The results will be cleaner air, less trash in our landfills, and more jobs in Illinois.

A second will bring the Oak Ridge National Lab together with IBM to extend America's leadership in High Performance Computing. The third involves a partnership between General Motors and the National Institute of Standards and Technology -- NIST -- to develop new software to solve problems in automated manufacturing equipment.

These agreements provide rules of the road, protection of patents and intellectual property, and other understandings -- so that technology transfer is not a concept but a job-producing reality.

Our program reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs, to invest in the most promising

technologies of tomorrow, have recognized the fact that the private sector must commercialize these technologies.

To help in that task, to spread information about best practices and new processes, my Administration has also established seven Manufacturing Technology Centers around the country. These will introduce new equipment and improve manufacturing processes for small and medium-sized firms. Since 1989, more than 6,000 companies have used the services provided by these centers -- and we plan to start up four more next year.

In next year's budget, we will launch a new cross-cutting initiative to increase our investment in R&D into new technologies to advance the manufacturing process. Today's factories face a different set of challenges from those a generation ago. In the face of fast changing requirements, more flexibility is needed.

We want to advance the development of systems and software, of robotics and artificial intelligence, to make this flexibility possible for all kinds of companies. The government will help with technological leaps -- so that the American firms can leap ahead in the marketplace.

One of the most quintessentially American figures of our time, John Wayne, once said that: "Tomorrow is the most important thing in life."

When the shouting is finished, when the campaign winds down to its end, it will come down to a very personal and serious decision for every American. What kind of tomorrow do you want?

Do you want a tomorrow in which we look forward and take on the competition, or one in which we turn inward in retreat?

Do you want a tomorrow in which we invest in the technologies that can make us more competitive, or in which we allow the patrons of the past to spend our future away?

Do you want a tomorrow in which work and innovation are rewarded, or in which we turn back down the path of higher taxes and more regulation?

When Americans step into that booth this year, they will face a fundamental choice about the kind of future they want. I have come to Chicago today to offer my ideas for a future full of promise. A future in which America works, America competes, and America wins.

I ask you to join me in this future.

Thank you, God bless you, and God bless the United States of America.

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NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

THANK YOU, GOVERNOR EDGAR, FOR THAT INTRODUCTION. ILLINOIS' MOST FAMOUS SON, AND THE FIRST ILLINOIS REPUBLICAN, ABRAHAM LINCOLN, ONCE SAID THAT: "THE STRUGGLE OF TODAY IS NOT ALTOGETHER FOR TODAY -- IT IS FOR A VAST FUTURE, ALSO."

THAT IS WHY I HAVE COME TO THIS GREAT UNIVERSITY, TO THE CITY IN THE HEART OF THE MOST CONFIDENT NATION ON EARTH, TO TALK TO YOU TODAY. IN LESS THAN SIX WEEKS, YOU FACE A FUNDAMENTAL CHOICE ABOUT THE AMERICA'S FUTURE - - ABOUT THE KIND OF AMERICA WE WILL SEEK TO BUILD, ABOUT THE DIRECTION WE WILL TAKE.

A FEW WEEKS AGO IN DETROIT, I LAID OUT THE DIRECTION IN WHICH I HOPE TO GO -- I CALLED MY PLAN AN AGENDA FOR AMERICAN RENEWAL.

MY STRATEGY IS INTEGRATED -- TYING ECONOMIC POLICY AND FOREIGN POLICY AND DOMESTIC POLICY TOGETHER, BECAUSE, IN FACT, THEY ARE RELATED.

I PUT IT SIMPLY: OUR DEFINING CHALLENGE IN THE 90S IS TO WIN THE ECONOMIC COMPETITION, TO WIN THE PEACE. SO MY AGENDA OUTLINES THE STEPS WE CAN TAKE TODAY TO MAKE AMERICA MORE COMPETITIVE BOTH NOW AND IN THE FUTURE -- AND ONE KEY STEP IS TO INVEST IN TECHNOLOGY.

TODAY I WANT TO TALK TO YOU ABOUT MY PROGRAM FOR INVESTING IN CIVILIAN RESEARCH AND DEVELOPMENT. AND I WANT TO TALK ABOUT HOW WE CAN SPEED THE PROCESS THROUGH WHICH AMERICAN BUSINESSES AND ENTREPRENEURS CAN TURN THE FRUITS OF THAT R&D INTO SUCCESSFUL PRODUCTS AND AMERICAN JOBS.

I INCLUDED INVESTMENT IN CIVILIAN R&D IN MY AGENDA FOR AMERICAN RENEWAL FOR A VERY SPECIFIC REASON. IN THE INFORMATION AGE, WHEN CAPITAL AND IDEAS CAN MOVE AROUND THE WORLD LITERALLY IN SECONDS, INVESTMENTS IN R&D AND IN THE TECHNOLOGIES OF TOMORROW CAN IMPROVE OUR PRODUCTIVITY. THAT IS THE KEY TO INCREASING ECONOMIC GROWTH. AND GROWTH MEANS AN IMPROVED STANDARD OF LIVING FOR THE AMERICAN PEOPLE.

IN THE OLD DAYS, ECONOMISTS WOULD TELL YOU THAT CAPITAL AND LABOR WERE THE TWO INGREDIENTS YOU NEEDED TO MAKE THE ECONOMY PRODUCE. TODAY, IT'S UNIVERSALLY ACCEPTED THAT A THIRD INGREDIENT IS NEEDED: KNOWLEDGE.

WE NEED THE BEST IDEAS IN THE WORLD -- AND WE HAVE ALWAYS HAD THEM. FOR DECADES, AMERICAN SCIENTISTS HAVE PRODUCED THE MOST SCIENTIFIC LITERATURE, THE MOST NEW PATENTS, THE MOST NOBEL PRIZES. AND WE ARE INVESTING IN BASIC RESEARCH TO KEEP THAT LEAD.

BUT TO WIN TODAY'S ECONOMIC COMPETITION, WE NEED PROCESSES THAT CAN SPEED THEIR ROUTE FROM THE LABORATORY TO THE MARKETPLACE. WE NEED INVESTMENTS IN APPLIED R&D.

WE NEED CAPITAL TO TURN THE ABSTRACT IDEA INTO THE CONCRETE REALITY. AND WE NEED A WORKFORCE WITH THE BRAINPOWER AND THE SKILLS TO TAKE THESE TECHNOLOGIES AND TURN THEM INTO THE BEST QUALITY PRODUCTS ANYWHERE ON EARTH.

IF WE SUCCEED IN CREATING THESE BUILDING BLOCKS, WE WILL SUCCEED IN CREATING JOBS. JUST LOOK ILLINOIS. 588,000 JOBS IN THIS STATE ARE TIED TO HIGH TECHNOLOGY -- THAT'S OVER 11 PERCENT OF ILLINOIS' WORK FORCE. ILLINOIS IS AMERICA'S NUMBER ONE MANUFACTURER OF TELECOMMUNICATIONS EQUIPMENT.

MY AGENDA STATES THAT WE MUST SHARPEN THE COMPETITIVE EDGE OF AMERICAN BUSINESS, BUT IT RESTS ON THE CORE BELIEF THAT THE SOURCE OF AMERICA'S SUCCESS HAS ALWAYS BEEN THE IMMENSE POWER OF ENTREPRENEURIAL CAPITALISM. AND THAT IS A KEY DIFFERENCE FROM THE VISION OF MY OPPONENT IN THIS ELECTION.

YOU SEE, GOVERNOR CLINTON HAS ALSO BEEN TALKING ABOUT INVESTING IN CIVILIAN R&D DURING THIS ELECTION. BUT MY OPPONENT'S RHETORIC FALLS SHORT IN FOUR KEY RESPECTS.

FIRST, HE PUTS HIS FAITH IN THE ABILITY OF GOVERNMENT TO PICK THE RIGHT INVESTMENTS, TO CONTROL THE RESOURCES, TO DETERMINE WHICH PARTICULAR PRODUCTS AND PROCESSES WILL BE FAVORED BY THE BUREAUCRATS IN WASHINGTON. I WANT TO EMPOWER THE BUSINESSMAN OR THE BUSINESSWOMAN TO DEVELOP A RANGE OF PRODUCTS, PICKED NOT BY THE PLANNER BUT BY THE POWER OF THE MARKETPLACE.

SECOND, WHILE GOVERNOR CLINTON MAY BE CLAIMING HE'S GOING TO MAKE THE RIGHT PLAY, CONGRESS IS INTERCEPTING THE BALL AND RUNNING IT IN THE OPPOSITE DIRECTION. IN EACH OF THE PAST FOUR YEARS, MY R&D BUDGET HAS BEEN CUT BY GOVERNOR CLINTON'S ALLIES IN THE OTHER PARTY -- THE PORK HAPPY PARTISANS ON CAPITOL HILL.

IN FACT, RIGHT NOW, THIS YEAR, THE DEMOCRATIC LEADERS IN THE CONGRESS -- WITH WHOM THE CLINTON CAMPAIGN IS CONSULTING EACH AND EVERY DAY -- HAVE SLASHED MY PROPOSED INCREASE FOR THE NATIONAL SCIENCE FOUNDATION, HEADED BY CHICAGO'S OWN WALTER MASSEY. THEY'VE ZEROED OUT MY PROPOSED INITIATIVE IN MAGNETICALLY-LEVITATED HIGH SPEED RAIL. THEY'VE REDUCED OUR INVESTMENTS IN COMPUTERS, AND ADVANCED MATERIALS AND MANUFACTURING R&D. WHILE THE GOVERNOR TALKS HIGH TECH, HIS ALLIED IN CONGRESS WALK AWAY FROM IT.

AND GOVERNOR CLINTON'S OWN PLAN -- FOR ALL HIS TALK ABOUT RESEARCH -- WOULD GUT THE FOUNDATION OF AMERICA'S SCIENCE AND TECHNOLOGY ENTERPRISE BY CUTTING UNIVERSITY REIMBURSEMENTS FOR R&D BY \$3 BILLION -- ALMOST ONE-THIRD. UNDER HIS PLAN, THE ABILITY OF GREAT UNIVERSITIES LIKE THE UNIVERSITY OF CHICAGO TO CONDUCT WORLD-CLASS RESEARCH WOULD BE COMPROMISED.

THIRD, THE PROMISES OF CANDIDATE CLINTON DON'T MATCH THE RECORD OF GOVERNOR CLINTON. THE MOST RECENT REPORT CARD ON TECHNOLOGY INDICATORS, PUBLISHED BY THE CORPORATION FOR ENTERPRISE DEVELOPMENT, RATED ARKANSAS NEAR THE VERY BOTTOM AMONG STATES IN VIRTUALLY EVERY CATEGORY. FOR "TECHNOLOGY RESOURCES", ARKANSAS RECEIVED AN "F".

HE'S NOT EVEN LINING UP THE FUNDAMENTALS FOR A HIGH TECH WORLD.

AFTER 12 YEARS WITH BILL CLINTON AS GOVERNOR, ARKANSAS RANKS 48TH IN PERCENTAGE OF ADULTS WITH HIGH SCHOOL DIPLOMAS. THREE-QUARTERS OF ARKANSAS' HIGH SCHOOL GRADUATES NEED REMEDIAL EDUCATION WHEN THEY GET TO COLLEGE. SO IT'S ODD FOR BILL CLINTON TO TALK ABOUT HIGH TECH WHEN THE RESIDENTS OF HIS STATE HAVE TO WORRY ABOUT GETTING OUT OF HIGH SCHOOL.

FINALLY, AND MOST IMPORTANTLY, HE PROPOSES TO FINANCE HIS MANY PROMISES WITH A MASSIVE TAX INCREASE THAT WILL SMOTHER THE VERY GROWTH ON WHICH OUR SUCCESS DEPENDS. I HAD A FREUDIAN SLIP THE OTHER DAY AND CALLED GOVERNOR CLINTON "GOVERNOR TAXES."

WELL, BILL CLINTON HAS PROPOSED THE LARGEST TAX INCREASE IN AMERICAN HISTORY, \$150 BILLION, AND THAT'S JUST FOR STARTERS. TO PAY FOR HIS OTHER PROMISES, HE WILL TAX SMALL BUSINESSES -- THE MAIN SOURCE OF JOBS IN OUR ECONOMY AND HEROES OF HIGH TECHNOLOGY. SO LET'S BE CLEAR: BILL CLINTON'S HIGH TAX POLICIES WILL KILL HIGH TECH BUSINESSES.

WHAT IT COMES DOWN TO IS THIS. AMERICA IS AT A CROSSROADS. FOR THE FIRST TIME IN 50 YEARS, OUR COUNTRY IS INVOLVED TODAY IN NO MAJOR CONFLICTS ANYWHERE ON EARTH. WE FACE AN UNPRECEDENTED OPPORTUNITY. AND THERE ARE TWO DIRECTIONS WE CAN TAKE.

THE DIRECTION I PROPOSE, AT ITS HEART, IS FUTURE-ORIENTED, OUTWARD LOOKING. I DO NOT BELIEVE THAT AMERICANS SHOULD FEAR COMPETITION. BECAUSE I BELIEVE WE CAN COMPETE AND WIN. SO I HAVE WORKED TO OPEN MARKETS, TO GET OUR WORK FORCE READY TO COMPETE, AND, BOTH AS A GOVERNMENT AND AS A SOCIETY, TO INVEST IN THE FUTURE.

IN SHORT, I BELIEVE WE SHOULD COMPETE, NOT RETREAT.

AND I BELIEVE WE CAN DO IT WITHOUT A MASSIVE EXPANSION OF THE FEDERAL GOVERNMENT THAT REACHES INTO THE POCKET OF EVERY AMERICAN TAXPAYER.

LET ME TALK ABOUT THE ELEMENTS OF THIS COMPETITION. FIRST, OPEN MARKETS. MY OPPONENT SAYS AMERICA IS IN DECLINE. BUT THE FACT IS THAT WE ARE WINNING NEW MARKETS FOR AMERICAN GOODS AND SERVICES RIGHT NOW. JUST LOOK AT OUR EXPORT PERFORMANCE OVER THESE PAST FOUR YEARS. WE HAVE INCREASED EXPORTS BY 40%. WE HAVE GAINED WORLDWIDE MARKET SHARE IN MANUFACTURING OUTPUT. OUR EXPORTS TO JAPAN HAVE GROWN 12 TIMES FASTER THAN OUR IMPORTS. AND HIGH TECH EXPORTS HAVE LED THE WAY. SINCE 1987, OUR TRADE SURPLUS IN ADVANCED TECHNOLOGY PRODUCTS HAS GROWN BY MORE THAN 80%. SO I HAVE A MESSAGE FOR THE PESSIMISTS: WE CAN COMPETE, AND WE CAN WIN.

FOR US TO CONTINUE TO WIN NEW MARKETS FOR AMERICA, WE NEED A MORE OPEN WORLD TRADING REGIME. SO WE HAVE WORKED TO COMPLETE THE NORTH AMERICAN FREE TRADE AGREEMENT -- NAFTA -- WHICH WILL CREATE ALMOST 200,000 JOBS RIGHT HERE IN THE UNITED STATES. WE HAVE WORKED FOR A SUCCESSFUL CONCLUSION OF THE URUGUAY ROUND. WE HAVE COMPLETED INDIVIDUAL AGREEMENTS WITH JAPAN, KOREA, MEXICO, AND COUNTRIES AROUND THE WORLD TO OPEN MARKETS FOR TECHNOLOGY AND PROTECT AMERICAN INTELLECTUAL PROPERTY -- SO THAT THE INCENTIVE TO GENERATE NEW IDEAS AND CREATE NEW PRODUCTS REMAINS.

NOW, MY OPPONENT HAS WAFFLED ON NAFTA. HE WOULD RISK OUR ABILITY TO EXPAND TRADE BY SUPPORTING ANTI-TRADE LEGISLATION ON CAPITOL HILL. AND HIS TAX ON FOREIGN INVESTMENT IN THE UNITED STATES WILL NOT ONLY LOCK OUT HIGH WAGE, HIGH SKILL JOBS -- IT WILL INVITE RETALIATION THAT WILL UNDERCUT THE GROWTH IN EXPORTS WHICH IS SO KEY TO THE GROWTH IN THE ECONOMY.

LET'S TALK ABOUT EDUCATION -- PREPARING OUR CHILDREN TO MEET THE CHALLENGES OF THE 21ST CENTURY ECONOMY. GOVERNOR CLINTON HAS SAID THAT WE'VE REDUCED INVESTMENT IN EDUCATION. HE IS WRONG. EDUCATION THIS YEAR GOT THE BIGGEST INCREASE IN MY BUDGET -- IT'S UP 41% OVER 1989. AND WE'VE PLACED A PARTICULAR EMPHASIS ON MATH AND SCIENCE EDUCATION, MORE THAN DOUBLING FUNDING, SO THAT THIS YEAR'S BUDGET WILL BE ABLE TO USE FEDERAL ASSETS TO HELP TRAIN OVER 770,000 TEACHERS IN THE MATH AND SCIENCE SKILLS THEY NEED TO TEACH OUR KIDS.

AND LET'S TALK ABOUT INVESTING IN THE FUTURE. WE'VE BEEN WORKING TO PROMOTE THE TECHNOLOGIES THAT WILL MAKE US MORE COMPETITIVE IN THE FUTURE. BUT IT'S TIME TO SET THE RECORD STRAIGHT ON THIS. THE GOVERNOR, UNCHALLENGED BY THESE ENTERPRISING REPORTERS WITH US HERE TODAY FROM THE NATIONAL MEDIA, HAS SAID THAT WE'VE "REDUCED INVESTMENT IN CIVILIAN R&D." THAT IS SIMPLY UNTRUE.

HERE IS THE RECORD. MY BUDGET THIS YEAR WOULD INCREASE CIVILIAN R&D BY 44% OVER 1989 LEVELS. CIVILIAN BASIC RESEARCH IS UP 36%. AND APPLIED CIVILIAN R&D IS UP 49%. SO WHEN THE GOVERNOR TALKS ABOUT INVESTING IN CIVILIAN R&D, THE FACT IS WE'RE ALREADY DOING IT.

LET ME EXPLAIN WHAT WE'RE DOING.

TWO YEARS AGO, WE PULLED EVERY FEDERAL AGENCY TOGETHER TO LAUNCH A NEW PROGRAM TO DEVELOP THE SUPERCOMPUTERS OF TOMORROW -- COMPUTERS 1000 TIMES MORE POWERFUL THAN TODAY'S. OUR VISION IS TO DEVELOP A SUPERCOMPUTER THE SIZE OF A DESKTOP PC -- AND TO DO IT WITHIN FOUR YEARS.

WE ALSO PROPOSED A NATIONWIDE COMMUNICATIONS NETWORK -- AN INFORMATION BACKBONE THAT WILL TRANSMIT 1000 TIMES MORE INFORMATION THAN WE CAN TODAY IN ONE SECOND. THIS YEAR, WE'VE PROPOSED OVER \$800 MILLION, A 23% INCREASE, FOR THIS HIGH PERFORMANCE COMPUTING AND COMMUNICATIONS INITIATIVE.

LAST YEAR, WE LAUNCHED ANOTHER CROSSCUTTING TECHNOLOGY PLAN -- AN INVESTMENT OF OVER \$1.8 BILLION IN THE MATERIALS OF TOMORROW. THESE NEW KINDS OF MATERIALS WILL HELP US MAKE PRODUCTS THAT ARE STRONGER, LIGHTER, AND FASTER -- EVERYTHING FROM CARS TO AIRPLANES TO MILITARY EQUIPMENT.

WE'VE LAUNCHED A \$4 BILLION PROGRAM IN BIOTECHNOLOGY RESEARCH -- AND PROPOSED TO KNOCK DOWN THE REGULATORY BARRIERS THAT MIGHT PREVENT TECHNOLOGIES IN THIS AREA FROM HELPING US TO CURE DISEASE, GROW MORE CROPS, AND CLEAN UP THE ENVIRONMENT.

WE'RE USING TECHNOLOGY TO TACKLE AN UNFORTUNATE LEGACY OF THE COLD WAR -- THE ENVIRONMENTAL PROBLEMS LEFT FROM MAKING WEAPONS THAT DEFENDED FREEDOM AROUND THE GLOBE. WINNING THE PEACE MEANS MANAGING DANGEROUS MATERIALS MORE EFFECTIVELY. TODAY, WE'RE USING THE SCIENTIFIC EXPERTISE OF THE FEDERAL LABS -- WHOSE SCIENTISTS FIRST DEvised THESE BOMBS -- TO FIND NEW TECHNOLOGIES FOR STOPPING WEAPONS PROLIFERATION, AND FOR PROTECTING OUR CHILDREN FROM ENVIRONMENTAL THREATS.

I'M HERE TODAY, HOWEVER, BECAUSE A SUCCESSFUL STRATEGY FOR WINNING THE ECONOMIC COMPETITION REQUIRES MORE THAN JUST INVESTMENT IN R&D -- WHETHER BASIC OR APPLIED. IN A FAST-PACED WORLD OF SHORTER PRODUCT CYCLES AND FASTER COMMUNICATIONS, THE KEY TO VICTORY IS MOVING IDEAS AND TECHNOLOGIES FROM THE LABORATORY BENCH TO THE COMMERCIAL MARKETPLACE FASTER THAN EVER BEFORE.

THAT'S WHAT THIS NATIONAL TECHNOLOGY INITIATIVE, OR NTI, IS ALL ABOUT. THIS IS THE ELEVENTH NTI MEETING WE'VE HAD -- EACH IN A DIFFERENT PART OF THE COUNTRY; EACH DESIGNED TO HELP SPEED THE TRANSFER OF TECHNOLOGY FROM OUR FEDERAL LABS AND UNIVERSITIES TO THE PRIVATE AND COMMERCIAL SECTOR.

WE'RE WORKING TO MAKE IT EASIER TO DEAL WITH THE FEDERAL GOVERNMENT AS A PARTNER. IF YOU ATTEND THE WORKSHOPS AND VISIT THE TECHNOLOGY FAIR, YOU'LL GET A WINDOW ON TODAY'S OPPORTUNITIES, AND AN EARLY START ON TOMORROW'S SUCCESSES.

ONE YEAR AGO, I DIRECTED THE SECRETARIES OF COMMERCE AND ENERGY TO INCREASE THE NUMBER OF COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS SIGNED BETWEEN OUR FEDERAL FACILITIES AND PRIVATE PARTNERS. THESE CRADAS ((CRAY-DUHS)), AS THEY ARE CALLED, HELP SPEED THE TRANSFER OF THE MOST PROMISING TECHNOLOGIES TO THE PRIVATE SECTOR - - SO THEY CAN BE DEVELOPED INTO COMMERCIAL PRODUCTS AND SERVICES.

AND IN THE ONE YEAR SINCE THAT DIRECTIVE WAS ISSUED -- WE'VE DOUBLED THE NUMBER OF THESE AGREEMENTS. THERE ARE NOW MORE THAN 1,400 OPERATING AND IN PLACE. COMPUTERS. CERAMICS. ENVIRONMENTAL CLEANUP. WE ARE ACHIEVING AN UNPRECEDENTED LEVEL OF SUCCESS IN TAKING THE BEST IDEAS FROM OUR LABS AND TURNING THEM INTO AMERICAN PRODUCTS AND AMERICAN JOBS.

TODAY WE ARE SIGNING SEVERAL NEW BREAKTHROUGH AGREEMENTS. ONE INVOLVES TWO FEDERAL LABS AND THREE PRIVATE INDUSTRY PARTNERS -- WORKING TO DETERMINE THE RIGHT MIX FOR BURNING PELLETIZED TRASH ALONG WITH COAL TO GENERATE ELECTRICITY. THE RESULTS WILL BE CLEANER AIR, LESS TRASH IN OUR LANDFILLS, AND MORE JOBS IN ILLINOIS.

A SECOND WILL BRING THE OAK RIDGE NATIONAL LAB TOGETHER WITH IBM TO EXTEND AMERICA'S LEADERSHIP IN HIGH PERFORMANCE COMPUTING. THE THIRD INVOLVES A PARTNERSHIP BETWEEN GENERAL MOTORS AND THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY -- NIST -- TO DEVELOP NEW SOFTWARE TO SOLVE PROBLEMS IN AUTOMATED MANUFACTURING EQUIPMENT.

THESE AGREEMENTS PROVIDE RULES OF THE ROAD, PROTECTION OF PATENTS AND INTELLECTUAL PROPERTY, AND OTHER UNDERSTANDINGS -- SO THAT TECHNOLOGY TRANSFER IS NOT JUST A CONCEPT BUT A JOB-PRODUCING REALITY.

OUR PROGRAM REFLECTS A FUNDAMENTAL BELIEF ABOUT THE PATH TO SUCCESSFUL TECHNOLOGY DEVELOPMENT. OUR EFFORTS TO TRANSFER TECHNOLOGY FROM THE LABS, TO INVEST IN THE MOST PROMISING TECHNOLOGIES OF TOMORROW, HAVE RECOGNIZED THE FACT THAT THE PRIVATE SECTOR MUST COMMERCIALIZE THESE TECHNOLOGIES.

TO HELP IN THAT TASK, TO SPREAD INFORMATION ABOUT BEST PRACTICES AND NEW PROCESSES, MY ADMINISTRATION HAS ALSO ESTABLISHED SEVEN REGIONAL MANUFACTURING TECHNOLOGY CENTERS AROUND THE COUNTRY. THESE WILL INTRODUCE NEW EQUIPMENT AND IMPROVE MANUFACTURING PROCESSES FOR SMALL AND MEDIUM-SIZED FIRMS. SINCE 1989, MORE THAN 6,000 COMPANIES HAVE USED THE SERVICES PROVIDED BY THESE CENTERS -- AND WE PLAN TO START UP FOUR MORE NEXT YEAR.

NOW, MY OPPONENT PROPOSES TO CREATE HUNDREDS OF CENTERS. HE DOESN'T SAY HOW LONG IT WILL TAKE TO BUILD THEM. BUT I CAN TELL YOU THIS: WE DON'T NEED A MASSIVE BUREAUCRACY. WE WANT TO SHARE BEST PRACTICES; NOT NECESSARILY EVERY PRACTICE THAT A GOVERNMENT PLANNER WANTS TO PUSH. THE POINT IS THIS: RATHER THAN WAITING FOR THE BUREAUCRATS AND PLANNERS TO DECIDE WHAT'S BEST, I BELIEVE WE SHOULD FOSTER THE KIND OF PARTNERSHIPS THAT ALLOW THE PRIVATE SECTOR TO HELP IDENTIFY AND COMMERCIALIZE THE MOST PROMISING TECHNOLOGIES -- THOSE IN WHICH WE ARE PURSUING LEADERSHIP TODAY.

IN NEXT YEAR'S BUDGET, WE WILL LAUNCH A NEW CROSS-CUTTING INITIATIVE TO INCREASE OUR INVESTMENT IN R&D INTO NEW TECHNOLOGIES TO ADVANCE THE MANUFACTURING PROCESS. TODAY'S FACTORIES FACE A DIFFERENT SET OF CHALLENGES FROM THOSE A GENERATION AGO. IN THE FACE OF FAST CHANGING REQUIREMENTS, MORE FLEXIBILITY IS NEEDED.

WE WANT TO ADVANCE THE DEVELOPMENT OF SYSTEMS AND SOFTWARE, OF ROBOTICS AND ARTIFICIAL INTELLIGENCE, TO MAKE THIS FLEXIBILITY POSSIBLE FOR ALL KINDS OF COMPANIES. THE GOVERNMENT WILL HELP WITH TECHNOLOGICAL LEAPS -- SO THAT THE AMERICAN FIRMS CAN LEAP AHEAD IN THE MARKETPLACE.

ONE OF THE MOST QUINTESSENTIALLY AMERICAN FIGURES OF OUR TIME, JOHN WAYNE, ONCE SAID THAT: "TOMORROW IS THE MOST IMPORTANT THING IN LIFE."

WHEN THE SHOUTING IS FINISHED, WHEN THE CAMPAIGN WINDS DOWN TO ITS END, IT WILL COME DOWN TO A VERY PERSONAL AND SERIOUS DECISION FOR EVERY AMERICAN. WHAT KIND OF TOMORROW DO YOU WANT?

DO YOU WANT A TOMORROW IN WHICH WE LOOK FORWARD AND TAKE ON THE COMPETITION, OR ONE IN WHICH WE TURN INWARD IN RETREAT?

DO YOU WANT A TOMORROW IN WHICH WE INVEST IN THE TECHNOLOGIES THAT CAN MAKE US MORE COMPETITIVE, OR IN WHICH WE ALLOW THE PATRONS OF THE PAST TO SPEND OUR FUTURE AWAY?

DO YOU WANT A TOMORROW IN WHICH WORK AND INNOVATION ARE REWARDED, OR IN WHICH WE TURN BACK DOWN THE PATH OF HIGHER TAXES AND MORE REGULATION?

WHEN AMERICANS STEP INTO THAT BOOTH THIS YEAR, THEY WILL FACE A FUNDAMENTAL CHOICE ABOUT THE KIND OF FUTURE THEY WANT. I HAVE COME TO CHICAGO TODAY TO OFFER MY IDEAS FOR A FUTURE FULL OF PROMISE. A FUTURE IN WHICH AMERICA WORKS, AMERICA COMPETES, AND AMERICA WINS.

I ASK YOU TO JOIN ME IN THIS FUTURE.

**THANK YOU, GOD BLESS YOU, AND GOD BLESS THE UNITED
STATES OF AMERICA.**

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 09/23/92 ACTION/CONCURRENCE/COMMENT DUE BY: 11:00 a.m. 09/24

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE, CHICAGO, IL -
09/25/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	x MOORE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	x MULLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	x PROVOST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input checked="" 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"/>	x ZOELLICK	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCGROARTY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	GROOMES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			BOSKIN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:
 Please provide any comments directly to Dan McGroarty no later than 11:00 a.m. on Thursday, 09/24, with a copy to this office. Thanks.

RESPONSE:
called 10:20
11:15

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

PRESIDENTIAL REMARKS:

(Grady, 9/22/92)
NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

2 SEP 23 PM 3:30
Thank you, Governor Edgar, for that introduction. At a certain convention I attended last month in Houston, an 82-year old American named Ronald Reagan said something very revealing about our country. "Like most Americans," he said, "I live for the future."

It is that spirit which defines America, and it is that spirit which brings us together today.

A few weeks ago in Detroit, I presented my ideas for an Agenda for American Renewal. That Agenda is guided by my fundamental belief that the most important challenge we face as Americans -- the defining challenge of the 90s -- is to win the economic competition.

That's what our future plans must be all about. Getting ready to compete in an increasingly interdependent world. Our world is tied together as never before by new technology and new information systems. It is linked in seamless competition by the free flow of capital across borders. And, most importantly, it is filled with new promise and new opportunity because of the explosion of new freedoms and new markets in places where the light of liberty had never before dared to shine.

Some will tell you that America is in trouble in this new world of opportunity. But I have a simple vision -- and that is to compete, not retreat.

In order to win that economic competition -- in order to win the peace -- we must prepare to compete. We need an integrated

strategy -- not one that places economic policy and foreign policy and domestic policy in three different boxes --because, in fact, they are related. My agenda ties them together, because that's what's required to make America safe and strong.

My strategy is based on opening markets, on preparing our workforce, on sharpening our competitive edge by investing in the future, on creating opportunity by training our workers and fixing our health care system, and on rightsizing government -- by cutting spending and holding the line against taxes.

That strategy is not without controversy. Some want to close access to our markets, and risk future growth in exports. Some in the Congress are today sacrificing our investments in the future to the irresistible appeal of spending on current consumption. Some believe that higher taxes will give us the money to have the government take over America's investment strategy. I want to talk to you today about which strategy will work for America.

Let's be clear about one thing: despite what the pessimists say, we have begun to succeed already in opening markets and becoming more competitive. Just look at our export performance over these past four years. We have increased exports by 40%. We have gained worldwide market share in manufacturing output. In just these last four years, our exports to Japan have grown 12 times faster than our imports. So we can win.

But in order to do so, we must sharpen the competitive edge of American business by investing in knowledge, in new ideas, and in the technologies we will need to compete. That is a key part of my

agenda. This should be no surprise, because knowledge is an historic American strength, and we must build on our strengths.

New knowledge and new technology will give us the chance to increase productivity -- to help the economy grow -- to create jobs. For proof of the relationship between technological success and job creation, we need look no further than here in Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. Illinois is America's number one manufacturer of telecommunications equipment. So winning the race for new ideas, winning the technology race, means jobs for Illinois, and jobs for America.

By every measure, the United States leads the world in the generation of new knowledge. We have produced the most scientific literature, the most new patents, the most Nobel prizes. We cannot keep that lead without investing in new knowledge -- so my budget for this year represents a 35% increase over 1989 in basic research.

But basic research is only half the story. For America to lead, we need to take our ideas from the laboratory to the marketplace -- and do it more quickly. And that is where this Administration is making new strides.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's -- within four years. Our vision is a Cray the size of a McIntosh -- a supercomputer you can put on your desktop.

We also proposed a nationwide network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

Last year, we launched another crosscutting technology plan -- an investment of over \$1.8 billion in the materials of tomorrow. These new kinds of materials will help us make products that are stronger, lighter, and faster -- everything from cars to airplanes to military equipment. You've heard of "planes, trains, and automobiles" -- we'll be more competitive in all three with the investments we are making today in the development of advanced materials.

And that's not all. We've launched a \$4 billion program in biotechnology -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, improve agricultural performance, and clean up the environment.

We've turned some of the expertise at the Federal labs toward the task of cleaning up the legacy of the Cold War -- forty years worth of accumulated environmental problems left from making the weapons that defended freedom around the globe. Winning the peace means protecting the public from these hazards, and managing dangerous materials in the Federal government's possession more responsibly in the future.

The key to all of these initiatives is partnership. We cannot move ideas and technologies from the laboratory bench to the

commercial marketplace without bringing people together -- business and government, universities and the Federal labs.

That's what this National Technology Initiative, or NTI, is all about. This is the eleventh NTI meeting we've had -- each in a different part of the country; each designed to get the word out that we're going to make it easier to deal with the Federal government as a partner. If you attend the workshops and visit the technology fairs, we hope you'll get a window on today's opportunities, and an early start on tomorrow's successes.

We've brought this cooperation to new heights. A year ago, I directed the Secretaries of Commerce and Energy to increase the number of cooperative research and development agreements signed between our Federal facilities and private partners. These CRADAs ((CRAY-DAHS)), as they are called, help speed the transfer of the most promising technologies to the private sector -- so they can be developed into commercial products and services.

And in the one year since that directive was issued -- we've doubled the number of these agreements. There are now more than 1,400 operating and in place. Computers. Ceramics. Environmental cleanup. We are achieving an unprecedented level of success in taking the best ideas from our labs and turning them into American products and American jobs.

In just a few minutes, we will sign several new breakthrough agreements. The first one involves two Federal labs and three industry partners -- working together to solve several problems at once. The agreement will determine the right mix for burning pelletized trash along with coal to generate electricity. The

results will be less sulfur dioxide emissions into the air, less trash overflowing in our landfills, and more jobs created in here in Illinois producing this new fuel.

A second one -- between Argonne Lab and Motorola -- will help improve circuitry for communications and electronics. A third will bring the Oak Ridge National Lab together with IBM to extend America's leadership in High Performance Computing. The fourth involves a partnership between General Motors and the National Insistute of Standards and Technology to develop new software to solve problems in automated manufacturing equipment.

These agreements bring the concept of partnership to life -- providing rules of the road, protection of patents and intellectual property, and other understandings -- so that technology transfer is not a concept but a job-producing reality.

This partnership will also take form in our Manufacturing Technology Centers. This Administration has established seven such centers around the country -- in order to help introduce new equipment and improve manufacturing processes for small and medium-sized firms. Just since 1989, more than 6,000 companies have used the services provided by these centers, ~~we~~ and we plan to start up four more next year.

In next year's budget, we will launch a new cross-cutting initiative to increase our investment in R&D into new technologies to advance the manufacturing process. Today's factories face a different set of challenges from those a generation ago. In the face of fast changing requirements, more flexibility is needed.

We want to advance the development of systems and software, of robotics and artificial intelligence, to make this flexibility possible for all kinds of companies. And the key is this: we will pursue with the private sector.

I have used the word partnership advisedly today, because it reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs, to invest in the most promising technologies of tomorrow, have recognized the fact that the private sector must commercialize these technologies.

We are providing the tools for the private sector to do the job. No investment that is not guided by this technology pull from the market is ultimately going to be successful.

And on this point, there is a real difference. The other side believes that government experts can pick the best technologies and push them out the door. My opponent's proposal is to create hundreds of centers, with money he will not have unless he raises your taxes. It is a prescription to "hurry up and wait." Rather than waiting to build more government buildings, I believe we should work to develop the technology we have right now. Rather than waiting for the bureaucrats and planners decide what's best, I believe we should build the kind of partnerships that allow the private sector to help identify and commercialize promising technologies in which we are pursuing leadership today.

Now, it's a political year, and my opponent has made a specialty out of saying things that sound good, but that aren't backed up by his record or his philosophy. And on the subject of

R&D, as on so many other subjects, Governor Clinton has truly earned his reputation as Governor Doublespeak.

Bill Clinton has told America that he would invest in civilian R&D -- and he has said flat out, with a straight face, that we have cut this investment. He must have been smoking something again on that one.

The fact is that this Administration has increased the Federal investment in civilian R&D by 28% just since 1989. We have increased basic research. We have increased applied R&D. We have invested in energy R&D and environmental R&D. Aeronautics and magnetically levitated high speed rail. Computing and communications. Protecting the public health and exploring the frontiers of space.

Now here's the best part. In each and every year that we have sent our budget to the pork-happy partisans on Capitol Hill, they have cut our R&D budget. They have spent it on water projects. They have spent it on providing subsidies to, get this, vacant public housing units. They have funded every pet project from mink research to subsidies for rich rural telephone cooperatives who just happen to give big contributions to Congressmen.

This year, we proposed an increase for the National Science Foundation to advance our plans in both basic and applied research. And even as Governor Clinton called for more investment, and even as his team consults with the Democratic leaders on Capitol Hill every day, that increase was wiped out.

So when Governor Doublespeak looks you in the eye and says he wants to invest in civilian R&D, I say -- we're already doing it. And your allies in Congress are not helping.

Governor Clinton says he wants to take every dollar we save in defense R&D and spend it on civilian R&D. In this year's budget, I increased civilian R&D by 8%, and defense R&D by only one percent. Every cent from defense went to civilian.

But get this, when we sent the Congress a proposal to transfer \$50 million from weapons research to promote the kind of technology partnerships we're talking about today, they denied the transfer. And last week, when we proposed to transfer another \$186 million from unneeded nuclear weapons materials production to new technologies which will help stop the spread of weapons around the world and help clean up our weapons facilities, Congress denied most of that transfer, too. They wanted to spend the money on pork instead.

So when Governor Doublespeak looks you in the eye and says he's for shifting R&D funds from defense to civilian, you tell him we're already doing it. But you might ask him to speak to his partners in pork on Capitol Hill.

And here's the best one of all. Bill Clinton says that he's for our proposal to make the R&D tax credit permanent, and for a modified reduction in capital gains taxes. At the exact moment he is looking the American people in the eye and telling them these things, his allies on Capitol Hill are blocking their enactment.

So when Governor Doublespeak looks you in the eye and says he's for

investment incentives, tell him we've already proposed and financed them, but let's cut the partisan games and pass the bills.

I'm afraid that Bill Clinton, on the subject of technology is like Bill Clinton on any subject -- promise them anything, but keep two fingers crossed behind your back.

Behind my opponent's charges lies the worst kind of cynicism - - saying things he knows to be not true with the straight face of the professional prevaricator.

For the real story on Bill Clinton and technology, let's look at the record.

The most recent report card on technology indicators, published by the Corporation for Enterprise Development, rated Arkansas near the very bottom among states in virtually every technology-related factor. For "technology resources", Arkansas received an "F". And Bill Clinton has allowed Arkansas' incubator program to die on the vine for lack of state funds.

Compare that to Illinois under Jim Thompson and Jim Edgar. Right here at the University of Chicago, they've helped to launch exactly the kind of partnership I'm talking about. The ARCH Development Corporation, a partnership between state and university and private sector, helps to identify and develop the most promising new technologies coming out of this great University and out of our Argonne National Lab. This cooperative venture has helped to launch new companies that are doing everything from improving the use of superconducting liquids to improving the lighting of computer screens.

Jim Thompson and Jim Edgar have started, in partnership with the Federal government and the private sector, five technology centers -- working on everything from advanced cement based materials to magnetic resonance.

When the chips were down in Arkansas, Bill Clinton did not deliver on technology. And when "Promise them Anything" Clinton teams up with "Spend it on Anything" Congress, Lord knows what they will deliver.

The fact is that Bill Clinton talks about the future, but his ideas and his support come from the patrons of the past. For these and so many other reasons, it is clear that Bill Clinton is the wrong man for America.

One of the most quintessentially American figures of our time, John Wayne, once said that: "Tomorrow is the most important thing in life."

When the shouting is finished, when the campaign winds down to its end, it will come down to a very personal and serious decision for every American. What kind of tomorrow do you want?

Do you want a tomorrow in which we look forward and take on the competition, or one in which we turn inward in retreat?

Do you want a tomorrow in which we invest in the technologies that can make us more competitive, or in which we allow the patrons of the past to spend our future away?

Do you want a tomorrow in which work and innovation are rewarded, or in which we turn back down the path of higher taxes and more regulation?

Winston Churchill once said about elections: "What it all comes down to is a little man, in a little booth, marking a little "x" on a little piece of paper."

When Americans step into that booth this year, they will face a fundamental choice about the kind of future they want. I have come to Chicago today, to this city that works, to offer my ideas for a future full of promise. A future in which America works, America competes, and America wins.

I ask you to join me in this future. America today faces opportunities that previous generations only dreamed about. Let us seize them.

Thank you, God bless you, and God bless the United States of America.

#

THE WHITE HOUSE

WASHINGTON

12 SEP 24 1992 38

MEMORANDUM FOR DAN MCGROARTY

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks: National Technology Initiative

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

JMH
 - FH - TA
 - TB - WMM

DATE: 09/23/92 ACTION/CONCURRENCE/COMMENT DUE BY: 11:00 a.m. 09/24

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE, CHICAGO, IL -
09/25/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MULLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MCGROARTY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	<u>GROOMES</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			BOSKIN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:

Please provide any comments directly to Dan McGroarty no later than 11:00 a.m. on Thursday, 09/24, with a copy to this office. Thanks.

RESPONSE:

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

PRESIDENTIAL REMARKS:

(Grady, 9/22/92)
NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

23 P.O. 3
Thank you, Governor Edgar, for that introduction. At a certain convention I attended last month in Houston, an 82-year old ~~American~~ ^{FORMER PRESIDENT} named Ronald Reagan said something very revealing about our country. "Like most Americans," he said, "I live for the future."

It is that spirit which defines America, and it is that spirit which brings us together today.

A few weeks ago in Detroit, I presented my ~~ideas for an~~ Agenda for American Renewal. ^{MY} ~~That~~ Agenda is guided by ^A ~~my~~ fundamental belief that the most important challenge we face as Americans -- the defining challenge of the 90s -- is to win the economic competition.

^{THE GOAL} That's ~~what~~ ^{PLANNING MUST BE ACHIEVED} our ~~future plans must be all about~~. Getting ready to compete in an ^{A GLOBAL ECONOMY} ~~increasingly interdependent world~~. Our world is ^{LINKED} ~~linked~~ together as never before by ^{THE FLOW OF} new technology, ~~and~~ new information systems. ~~It is linked in seamless competition by the free flow of~~ capital across borders. ^{AND} ~~And,~~ ^S ~~most~~ ^{IES} ~~importantly,~~ it filled with new promise ^S and ~~new~~ opportunity because of the explosion of new freedoms and new markets in places where the light of liberty had ^S ~~never before dared to shine~~. ^{PUR AN END TO THE DARKNESS}

Some will tell you that America is in trouble in this new world of opportunity. But I have a simple vision -- and that is to compete, not retreat. ^{OUR PEOPLE AND OUR BUSINESSES}

In order to win that economic competition -- in order to win the peace -- we must prepare to compete. We need an integrated

ADDRESSES

strategy -- not one that ~~places~~ economic policy and foreign policy and domestic policy ~~in three different boxes~~ --because, in fact, they are related. My agenda ties them together, because that's what's required to make America safe and strong.

INDEPENDENTLY

STRENGTHENING

My strategy is based on opening markets, on ~~preparing~~ our workforce, on sharpening our competitive edge by investing in the future, on ~~creating~~ opportunity by training our workers and ~~fixing~~ our health care system, and on rightsizing government -- by cutting spending and holding the line against taxes.

EXPANDING

REFORMING

That strategy is not without controversy. Some want to close access to our markets, and risk future growth in exports. Some in the Congress ~~are~~ today sacrificing our investments in the future to the irresistible appeal of spending on current consumption. Some believe that higher taxes will give us the money to have the government take over America's investment strategy. I want to talk to you today about which strategy will work for America.

AND LET THE GOVERNMENT PICK

WINNERS AND LOSERS.

Let's be clear about one thing: despite what the pessimists say, we have begun to succeed already in opening markets and becoming more competitive. Just look at our export performance over these ~~the~~ past four years. We have increased exports by 40%. We have gained worldwide market share in manufacturing output. In just these last four years, our exports to Japan have grown 12 times faster than our imports. So we can win.

But in order to do so, we must sharpen the competitive edge of American business by investing in knowledge, in new ideas, and in the technologies we will need to compete. That is a key ~~part~~ of my

ELEMENT

agenda. ~~This should be no surprise, because~~ knowledge is an historic American strength, and we must build on our strengths.

New knowledge and new technology will give us the chance to increase productivity -- to help the economy grow -- to create jobs. For proof of the relationship between technological success and job creation, we need look no further than here in Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. Illinois is America's number one manufacturer of telecommunications equipment. So winning the race for new ideas, winning the technology race, means jobs for Illinois, and jobs for America.

By every measure, the United States leads the world in the generation of new knowledge. We have produced the most scientific literature, the most new patents, the most Nobel prizes. We cannot keep that lead without investing in new knowledge -- so my budget for this year represents a 35% increase over 1989 in basic research.

But basic research is only half the story. For America to lead, we need to ~~take~~ ^{TRANSFER} our ideas from the laboratory to the marketplace -- and do it more quickly. And that is where this Administration is making new strides.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's -- within four years. Our vision is a Cray the size of a ^AMcIntosh -- a supercomputer you can put on your desktop.

COMPUTER

We also proposed a nationwide network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

DEVELOPING

Last year, we launched another crosscutting technology plan -- an investment of over \$1.8 billion in the materials of tomorrow. These new kinds of materials will help us make products that are stronger, lighter, and faster -- everything from cars to airplanes to military equipment. You've heard of "planes, trains, and automobiles" -- we'll be more competitive in all three with the investments we are making today in the development of advanced materials.

And that's not all. We've launched a \$4 billion program in biotechnology -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, improve agricultural performance, and clean up the environment.

We've turned some of the expertise at the Federal labs toward the task of cleaning up the legacy of the Cold War -- ~~forty years~~ worth of ~~accumulated~~ environmental problems left from making the weapons that defended freedom around the globe. Winning the peace means protecting the public from these hazards, and ^{CONTINUING TO} managing ~~E~~ dangerous materials in the Federal government's possession ~~more~~ responsibly, ~~in the future.~~

The key to all of these initiatives is partnership. We cannot move ideas and technologies from the laboratory bench to the

commercial marketplace without bringing people together -- business and government, universities and the Federal labs.

That's what this National Technology Initiative, or NTI, is all about. This is the eleventh NTI meeting we've had -- each in a different part of the country; each designed to get the word out that we're going to make it easier to deal with the Federal government as a partner. If you attend the workshops and visit the technology fairs, we hope you'll get a window on today's opportunities, and an early start on tomorrow's successes.

We've brought this cooperation to new heights. A year ago, I directed the Secretaries of Commerce and Energy to increase the number of cooperative research and development agreements signed between our Federal facilities and private partners. These CRADAs ((CRAY-DAHS)), as they are called, help speed the transfer of the most promising technologies to the private sector -- so they can be developed into commercial products and services.

And in the one year since that directive was issued -- we've doubled the number of these agreements. There are now more than 1,400 operating and in place. Computers. Ceramics. Environmental cleanup. We are achieving an unprecedented level of success in taking the best ideas from our labs and turning them into American products and American jobs.

In just a few minutes, we will sign several new breakthrough agreements. The first one involves two Federal labs and three industry partners -- working together to solve several problems at once. The agreement will determine the right mix for burning ~~pelletized~~ trash along with coal to generate electricity. The

results will be less sulfur dioxide emissions into the air, less trash overflowing in our landfills, and more jobs created ⁹ here in Illinois producing ~~this~~ ^{ENERGY} new fuel.

A second one -- between Argonne Lab and Motorola -- will help improve circuitry for communications and electronics. A third will bring the Oak Ridge National Lab together with IBM to extend America's leadership in High Performance Computing. The fourth involves a partnership between General Motors and the National Insistute of Standards and Technology to develop new software to solve problems in automated manufacturing equipment.

These agreements bring the concept of partnership to life -- providing rules of the road, protection of patents and intellectual property, and other understandings -- so that technology transfer is not a concept but a job-producing reality.

This partnership will also take form in our Manufacturing Technology Centers. This Administration has established seven such centers around the country -- in order to help introduce new equipment and improve manufacturing processes for small and medium-sized firms. ~~Just~~ ⁹ since 1989, more than 6,000 companies have used the services provided by these centers -- and we plan to start up four more next year.

In next year's budget, we will launch a new cross-cutting initiative to increase our investment in R&D into new technologies to advance the manufacturing process. Today's factories face a different set of challenges from those a generation ago. In the face of fast changing requirements, more flexibility is needed.

We want to advance the development of systems and software, of robotics and artificial intelligence, to make this flexibility possible for all kinds of companies. And the key is this: we will pursue ^{THIS GOAL} with the private sector.

I have used the word partnership advisedly today, because it reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs, to invest in the most promising technologies of tomorrow, have recognized the fact that the private sector must commercialize these technologies.

We are providing the tools for the private sector to do the job. No investment that is not guided by ~~this technology pull from~~ ^{'S DEMAND FOR NEW TECHNOLOGY} the market ^{is} ultimately going to be successful.

And on this point, there is a real difference. The other side believes that government experts can pick the best technologies and push them out the door. My opponent's proposal is to create hundreds of centers, with money he will not have unless he raises your taxes. It is a prescription to "hurry up and wait." Rather than waiting to build more government buildings, I believe we should work to develop the technology we have right now. Rather than waiting for the bureaucrats and planners decide what's best, I believe we should build the kind of partnerships that allow the private sector to help identify and commercialize promising technologies ⁱⁿ which we are pursuing ~~leadership~~ today.

Now, it's a political year, and my opponent has made a specialty out of saying things that sound good, but that aren't backed up by his record or his philosophy. And on the subject of

R&D, as on so many other subjects, Governor Clinton has truly earned his reputation as Governor Doublespeak.

Bill Clinton has told America that he would invest in civilian R&D -- and he has said flat out, with a straight face, that we have cut this investment. ~~He must have been smoking something again on that one.~~

The fact is that this Administration has increased the Federal investment in civilian R&D by 28% ~~just~~ since 1989. We have increased basic research. We have increased applied R&D. We have invested in energy R&D and environmental R&D. Aeronautics and magnetically levitated high speed rail. Computing and communications. Protecting the public health and exploring the frontiers of space.

IT IS ALSO HIGHLY INSTRUCTIVE TO NOTE THAT
~~Now here's the best part,~~ In each and every year ~~that~~ we have sent our budget to the ^{CONGRESS} ~~perk-happy partisans on Capitol Hill,~~ they have cut our R&D budget. They have spent it on water projects. They have spent it on providing subsidies to, get this, vacant public housing units. They have funded every pet project from mink research to subsidies for rich rural telephone cooperatives who just happen to give big contributions to Congressmen.

This year, we proposed an increase for the National Science Foundation to advance our plans in both basic and applied research. And even as Governor Clinton called for more investment, and even as his team consults with the Democratic leaders on Capitol Hill every day, that increase was wiped out.

So when Governor Doublespeak looks you in the eye and says he wants to invest in civilian R&D, I say -- we're already doing it. And your allies in Congress are not helping.

Governor Clinton says he wants to take every dollar we save in defense R&D and spend it on civilian R&D. In this year's budget, I increased civilian R&D by 8%, and defense R&D by only one percent. Every cent from defense went to civilian.

But get this, when we sent the Congress a proposal to transfer \$50 million from weapons research to promote the kind of technology partnerships we're talking about today, they denied the transfer. And last week, when we proposed to transfer another \$186 million from unneeded nuclear weapons materials production to new technologies which will help stop the spread of weapons around the world and help clean up our weapons facilities, Congress denied most of that transfer, too. They wanted to spend the money on pork instead.

So when Governor Doublespeak looks you in the eye and says he's for shifting R&D funds from defense to civilian, you tell him we're already doing it. ^{INSTEAD,} ~~But~~ you might ask him to speak to his partners in pork on Capitol Hill.

And here's the best one of all. Bill Clinton says that he's for our proposal to make the R&D tax credit permanent, and for a modified reduction in capital gains taxes. At the exact moment he is looking the American people in the eye and telling them these things, his allies on Capitol Hill are blocking their enactment. So when Governor Doublespeak looks you in the eye and says he's for

THE DEMOCRATS MUST

10

investment incentives, tell him we've already proposed and financed them, but ~~let's~~ cut the partisan games and pass the bills.

I'm afraid that Bill Clinton on the subject of technology is like Bill Clinton on any subject -- ^{HE} promise ^S ~~them~~ ^{YOU} anything, but keep ^{HIS} two fingers crossed behind ~~your~~ back.

Behind my opponent's charges lies the worst kind of cynicism - - saying things he knows to be not true with the straight face of the professional prevaricator.

For the real story on Bill Clinton and technology, let's look at the record.

The most recent report card on technology indicators, published by the Corporation for Enterprise Development, rated Arkansas near the very bottom among states in virtually every technology-related factor. For "technology resources", Arkansas received an "F". And Bill Clinton has allowed Arkansas' incubator program to die on the vine for lack of state funds.

Compare that to Illinois under Jim Thompson and Jim Edgar. Right here at the University of Chicago, they've helped to launch exactly the kind of partnership I'm talking about. The ARCH Development Corporation, a partnership between state and university and private sector, helps to identify and develop the most promising new technologies coming out of this great University and out of our Argonne National Lab. This cooperative venture has helped to launch new companies that are doing everything from improving the use of superconducting liquids to improving the lighting of computer screens.

Jim Thompson and Jim Edgar have started, in partnership with the Federal government and the private sector, five technology centers -- working on everything from advanced cement based materials to magnetic resonance.

When the chips were down in Arkansas, Bill Clinton did not deliver on technology. And when "Promise them Anything" Clinton teams up with "Spend it on Anything" Congress, Lord knows what they will deliver.

The fact is that Bill Clinton talks about the future, but his ideas and his support come from the patrons of the past. For these and so many other reasons, it is clear that Bill Clinton is the wrong man for America.

One of the most quintessentially American figures of our time, John Wayne, once said that: "Tomorrow is the most important thing in life."

When the shouting is finished, when the campaign winds down to its end, it will come down to a very personal and serious decision for every American. What kind of tomorrow do you want?

Do you want a tomorrow in which we look forward and take on the competition, or one in which we turn inward in retreat?

Do you want a tomorrow in which we invest in the technologies that can make us more competitive, or in which we allow the patrons of the past to spend our future away?

Do you want a tomorrow in which work and innovation are rewarded, or in which we turn back down the path of higher taxes and more regulation?

Winston Churchill once said about elections: "What it all comes down to is a little man, in a little booth, marking a little "x" on a little piece of paper."

When Americans step into that booth this year, they will face a fundamental choice about the kind of future they want. I have come to Chicago today, to this city that works, to offer my ideas for a future full of promise. A future in which America works, America competes, and America wins.

I ask you to join me in this future. America today faces opportunities that previous generations only dreamed about. Let us seize them.

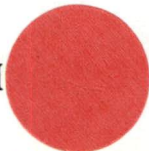
Thank you, God bless you, and God bless the United States of America.

#

MASTER

Document No. 352135
7182

WHITE HOUSE STAFFING MEMORANDUM



DATE: 09/23/92 ACTION/CONCURRENCE/COMMENT DUE BY: 11:00 a.m. 09/24

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE, CHICAGO, IL -
09/25/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MULLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MCGROARTY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	<u>GROOMES</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>

REMARKS:
Please provide any comments directly to Dan McGroarty no later than 11:00 a.m. on Thursday, 09/24, with a copy to this office. Thanks.

RESPONSE:
TO: DAN MCGROARTY
The NSC staff concurs with the attached, as revised.
cc: Phillip Brady
Brent Scowcroft
Brent Scowcroft

September 24, 1992
PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

PRESIDENTIAL REMARKS:

(Grady, 9/22/92)
NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

2 SEP 23 P.O. 56
Thank you, Governor Edgar, for that introduction. At a certain convention I attended last month in Houston, an 82-year old ~~American~~ ^{former President (PORTER)} named Ronald Reagan said something very revealing about our country. "Like most Americans," he said, "I live for the future."

It is that spirit which defines America, and it is that spirit which brings us together today.

A few weeks ago in Detroit, I presented my ^(PORTER) ~~ideas for an~~ Agenda for American Renewal. ~~That~~ ^{My} Agenda is ^{grounded in} ~~guided by~~ my fundamental belief that the most important challenge we face as Americans -- the defining challenge of the 90s -- is to win the economic competition.

That's ^{the goal} what our ^{planning} future ~~plans~~ must ^{achieve.} be ~~all about.~~ ~~Getting ready~~ to compete in an increasingly interdependent world. Our ^{interdependent} world is ^{linked} tied together as never before by ^{the flow of} new technology and new information systems, ^{and} ~~it is linked in seamless competition by~~ the free flow of capital across borders. ~~And,~~ ^{is} most importantly, ~~it~~ ^{is} filled with new promise and new opportunity because of the explosion of new freedoms and new markets in places where the light of liberty had ^{been permitted} ~~never before~~ ^{dared} to shine. ^(DOE) [put a end to darkness.] ^(PORTER)

Some will tell you that America is in trouble in this new ^{hyperintegrated} world, ~~of opportunity.~~ ^{Not me.} But I have a simple vision -- and that is to compete, ^{to} not retreat.

In order to win that economic competition -- in order to win the peace -- we must ^{our people & our businesses (PORTER)} ~~prepare~~ to compete. We need an integrated

(We're doing it now!)

(PORTER)

strategy -- not one that ^{addresses (PORTER)} places economic policy and foreign policy and domestic policy ^{independently (PORTER)} in ~~three different boxes~~ -- because, in fact, ^{strategy (DOE)} they are related. My ~~agenda~~ ^{ties them together}, because that's what's required to make America safe and strong.

in our new world, they are one issue. (NEGROARTY)

My strategy is based on opening markets, on ^{strengthening (PORTER)} preparing our workforce, on ^{expanding (PORTER)} sharpening our competitive edge by investing in the future, on creating opportunity ^{for all Americans (NEGROARTY)} by training our workers and ^{reforming (PORTER)} fixing our health care system, and on ^{on utilizing partnerships between gov't and industry to} rightsizing government -- by ^{DMS - cut} cutting maximize resources and solve problems in minimum time. (DOE) spending and holding the line against taxes.

That strategy is not without controversy. Some want to close access to our markets, and risk future growth in exports. Some in the Congress ^(PORTER) are today sacrificing our investments in the future to the irresistible appeal of spending on current consumption. Some believe that higher taxes will give us the money to ^{put} have the government ^{in charge of} take over America's investment strategy ^{and let the gov't pick winners + losers. (PORTER)}. I want to talk to you today about which strategy will work for America.

Let's be clear about one thing: despite what the pessimists say, we have ^{already} begun to ~~succeed already~~ in opening ^g markets and becoming ^e more competitive. Just look at our export performance over these past four years. We have increased exports by ^{65%*} ~~40%~~. We have gained worldwide market share in ^{exports of manufactured goods} manufacturing output. In just these last four years, our exports to Japan have grown ^{use 8 1/2 or 9 (CAB. AFF)} ~~12~~ times faster than our imports. So we can win.

(DOC ITA)

But in order to do so, we must sharpen the competitive edge of American business by investing in knowledge, in new ideas, and in the technologies we will need to compete. That is a key ^{element} part of my we have increased exports within the high-tech industries by ()% in the last 8 years. (PUBLIC LIAISON)

strategy (DOE) (PORTER)
agenda. ~~This should be no surprise, because~~ knowledge is an historic American strength, and we must build on our strengths.

New knowledge and new technology will give us the chance to increase productivity -- to help the economy grow -- to create jobs. For proof of the relationship between technological success and job creation, we need look no further than here in Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. [Illinois is America's number one manufacturer of telecommunications equipment.] So winning the race for new ideas, winning the technology race, means jobs for Illinois, and jobs for America. (DOE can't verify)

By every measure, the United States leads the world in the generation of new knowledge. We have produced the most scientific literature, the most new patents, the most Nobel prizes. ^{But} We cannot keep that lead without investing in new knowledge -- so my budget for this year represents a 35% increase over 1989 in basic research.

But basic research is only half the story. For America to lead, we need to ^{transfer} take our ideas from the laboratory to the marketplace -- and do it more quickly. And that is where this Administration is making new strides.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's -- within four years. Our vision is a Cray the size of a Macintosh -- a supercomputer you can put on your desktop. (IBM PC (Apple/souly endorsed Clinton))

→ Supercomputer (no one knows what a Cray is!)

We also proposed a nationwide ^{computer} network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

Last year, we launched another crosscutting technology plan -- an investment of over \$1.8 billion in ^{developing} the materials of tomorrow. These new kinds of materials will help us make products that are stronger, lighter, and faster -- everything from cars to airplanes to military equipment. You've heard of "planes, trains, and automobiles" -- we'll be more competitive in all three with the investments we are making today in the development of advanced materials.

And that's not all. We've launched a \$4 billion ^{research} program in ^(counsel) biotechnology -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, improve agricultural performance, and clean up the environment.

We've turned some of the expertise at the Federal labs toward the task of cleaning up the legacy of the Cold War -- ~~forty years~~ ^(PORTER) worth of ~~accumulated~~ environmental problems left from making the weapons that defended freedom around the globe. Winning the peace means protecting the public from ^{environmental} ~~these~~ hazards, ^{continuing to} and ^e ~~managing~~ ^(PORTER) dangerous materials in the Federal government's possession more ^(DOE) ~~effectively~~ ^(PORTER) ~~responsibly~~ in the future.

The key to all of these initiatives is partnership. We cannot move ideas and technologies from the laboratory bench to the

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results will be less sulfur dioxide emissions into the air, less trash overflowing in our landfills, and more jobs created ~~in~~ here in Illinois producing ~~this~~ new ^{energy} fuel. (PORTER)

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We want to advance the development of systems and software, of robotics and artificial intelligence, to make this flexibility possible for all kinds of companies. And the key is this: we will ~~pursue with the~~ ^{a joint government and} private sector, ~~offer~~ ^{partnership.}

I have used the word partnership advisedly today, because it reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs, to invest in the most promising technologies of tomorrow, have recognized ~~the fact~~ that the private sector must commercialize these technologies.

We are providing the tools for the private sector to do the job. No investment that is not guided by this technology ^{demand} pull from the market ~~is ultimately going to~~ ^{can} be successful.

And on this point, there is a real difference ^{between me and my opponent.} The other side believes that ^{the} government ~~experts~~ can pick the best technologies, and ~~push them out the door.~~ My opponent's proposal is to create ^{government} hundreds of centers, with money he will not have unless he raises your taxes. It is a prescription to "hurry up and wait." Rather than ~~waiting to~~ build more government buildings, I believe we should work to develop the technology we have right now. Rather than waiting for the ^{government to} bureaucrats and planners decide what's best, I believe we should build the kind of partnerships that allow the private sector to help identify and commercialize promising technologies ⁱⁿ which we are pursuing leadership today.

Now, ~~it's a political year,~~ and my opponent has made a specialty out of saying things that sound ^{pretty} good, but that aren't backed up by his record or his philosophy. And on the subject of

Suggested sentence: Investments today cannot be successful without this technology infusion!

R&D, as on so many other subjects, Governor Clinton has truly earned his reputation as Governor Doublespeak.

Bill Clinton has told America that he would invest in civilian R&D -- and he has said flat out, with a straight face, that we have cut this investment. ^{That's simply wrong!} ^(inhaling) He must have been smoking something again ^{on that one.]} ^{and this time he must have inhaled. (D&E)} ^{cut. (PORTER)}

The fact is that this Administration has increased the ^{overall} Federal investment in civilian R&D by 28% ^{just} since 1989. We have increased basic research. We have increased applied R&D. We have invested in energy R&D and environmental R&D. Aeronautics and magnetically levitated high speed rail. Computing and communications. Protecting the public health and exploring the frontiers of space.

Now here's the ^{Each year} best part. ~~In each and every year~~ that we have sent our budget to the pork-happy partisans on Capitol Hill, they have cut our R&D budget. They have spent it on water projects. They have spent it on providing subsidies to, get this, vacant public housing units. They have funded every pet project from mink research to subsidies for rich rural telephone cooperatives ^{who} ^{that} just happen to give big contributions to ^{Democratic} ^{Congressmen.}

This year, ^I ~~we~~ proposed an increase ^{in the budget} for the National Science Foundation to advance our plans in both basic and applied research. And even as Governor Clinton called for more investment, and even as his team consults with the Democratic leaders on Capitol Hill every day, that increase was wiped out.

So when Governor Doublespeak looks you in the eye and says he wants to invest in civilian R&D, I say -- we're already doing it.

And your ^{Democratic} allies in Congress are not helping.

Governor Clinton says he wants to take every dollar we save in defense R&D and spend it on civilian R&D. In this year's budget, I increased civilian R&D by 8%, and defense R&D by only one percent.

~~Every cent from defense went to civilian.~~ (doesn't make sense or follow!)

But get this, when we sent the Congress a proposal to transfer \$50 million from weapons ^{production} ~~research~~ to promote the kind of technology partnerships we're talking about today, they denied the transfer. And last week, when we proposed to transfer another \$186 million from unneeded nuclear weapons materials production to new technologies which will help stop the spread of weapons around the world and help clean up our weapons facilities, Congress denied most of that transfer, too. They wanted to spend the money on pork instead.

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^{I'm} ~~we're~~ already doing it. ^{instead (PORTER)} But you might ask him to speak to his partners in pork on Capitol Hill.

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So when Governor Doublespeak looks you in the eye and says he's for

The Democrats must

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I've

investment incentives, tell him ~~we've~~ ^{now} already proposed and financed them, ~~but~~ let's cut the partisan games and pass the bills. ✓

I'm afraid that Bill Clinton on the subject of technology is like Bill Clinton on any subject -- ^{he} ~~promises~~ ^{you} ~~them~~ anything, but keeps two fingers crossed behind ^{his} ~~your~~ back. (PORTER)

Behind my opponent's charges lies the worst kind of cynicism -
- saying things he knows ^{slick + polished (DOE)} to be not true with the straight face of the professional prevaricator. //Tough

For the real story on Bill Clinton and technology, let's look at the record.

The most recent report card on technology indicators, published by the Corporation for Enterprise Development, rated Arkansas ^{Where? What #? (McGRAHER)} [near the very bottom] among states in virtually every technology-related factor. For "technology resources", Arkansas received an "F". And Bill Clinton has allowed Arkansas' incubator ? program to die on the vine for lack of state funds.

Compare that to Illinois under ^{Governors} Jim Thompson and Jim Edgar. Right here at the University of Chicago, they've helped to launch exactly the kind of partnership I'm talking about. The ARCH Development Corporation, a partnership between state and university and private sector, helps to identify and develop the most promising new technologies coming out of this great University and out of our Argonne National Lab. This cooperative venture has helped to launch new companies that are doing everything from improving the use of superconducting liquids to improving the lighting of computer screens.

Governors

~~Jim~~ Thompson and ~~Jim~~ Edgar have started, in partnership with the Federal government and the private sector, five technology centers -- working on everything from advanced cement based materials to magnetic resonance.

When the chips were down in Arkansas, Bill Clinton did not deliver on technology. And when "Promise them Anything" Clinton teams up with ^{me} "Spend it on Anything" Congress, Lord knows what they will deliver. *He clearly knows more about buffalo chips than microchips. (DOE)*

The fact is that Bill Clinton talks about the future, but his ideas and his support come from the patrons of the past. For these and so many other reasons, it is clear that Bill Clinton is the wrong man for America.

One of the most quintessentially American figures of our time, John Wayne, once said that: "Tomorrow is the most important thing in life."

When the shouting is finished, when the campaign winds down to its end, it will come down to a very personal and serious decision for every American. What kind of tomorrow do you want?

Do you want a tomorrow in which we look forward and take on the competition, or one in which we turn inward in retreat?

Do you want a tomorrow in which we invest in the technologies that can make us more competitive, or in which we allow the patrons of the past to spend our future away?

Do you want a tomorrow in which work and innovation are rewarded, or in which we turn back down the path of higher taxes and more regulation?

Winston Churchill once said about elections: "What it all comes down to is a little man, in a little booth, marking a little "x" on a little piece of paper."

is there a better formula?

When Americans step into that booth this year, they will face a fundamental choice about the kind of future they want. I have come to Chicago today ~~to this city that works~~ to offer my ideas for a future full of promise. A future in which America works, America competes, and America wins.


(it does? what about the flood!)

I ask you to join me in this future. America today faces opportunities that previous generations only dreamed about. Let us seize them.

Thank you, God bless you, and God bless the United States of America.

#

gun control for ~~computer~~ comp. crime.

weed + seed. 

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20506

SEP 24 11:00

September 24, 1992

MEMORANDUM FOR DAN MACGROARTY

FROM: D. ALLAN BROMLEY

SUBJECT: Insert to Presidential Speech at Chicago/NTI (9/25)

Page 10

Insert after "For the real story on Bill Clinton..."

(begin insert)

Governor Clinton wants to reduce overhead payments for research and development to universities by three-quarters of a billion dollars per year. Such a reduction would be a tremendous blow to the single most important and productive component of our science and technology enterprise. In his quest for technology development by government, he would slight the very foundation that has made American science and technology so strong.

I have instructed the Directors of my Office of Management and Budget and Office of Science and Technology Policy to work with a representative group of university presidents to eliminate abuses involving indirect cost reimbursements which recognize that these are entirely legitimate costs involved in the partnership between universities and the federal government that has given us in the United States the strongest science and technology enterprise that has ever existed.

(end insert)

Document No. 352135

WHITE HOUSE STAFFING MEMORANDUM

DATE: 09/23/92 ACTION/CONCURRENCE/COMMENT DUE BY: 11:00 a.m. 09/24

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE, CHICAGO, IL -
09/25/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MULLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MCGROARTY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	<u>GROOMES</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<u>BOSKIN</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:

Please provide any comments directly to Dan McGroarty no later than 11:00 a.m. on Thursday, 09/24, with a copy to this office. Thanks.

RESPONSE:

See pp. 2, 3 & 7

JW Vest 7983

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

*Reprinted from - Times 12:25-12:50**1: - 1:25 B.A. Powell*

PRESIDENTIAL REMARKS;

(Grady, 9/22/92)
NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

23
Thank you, Governor Edgar, for that introduction. At a certain convention I attended last month in Houston, an 82-year old American named Ronald Reagan said something very revealing about our country. "Like most Americans," he said, "I live for the future."

It is that spirit which defines America, and it is that spirit which brings us together today.

A few weeks ago in Detroit, I presented my ideas for an Agenda for American Renewal. That Agenda is guided by my fundamental belief that the most important challenge we face as Americans -- the defining challenge of the 90s -- is to win the economic competition.

That's what our future plans must be all about. Getting ready to compete in an increasingly interdependent world. Our world is tied together as never before by new technology and new information systems. It is linked in seamless competition by the free flow of capital across borders. And, most importantly, it is ^{is} filled with new promise and new opportunity because of the explosion of new freedoms and new markets in places where the light of liberty had never before dared to shine.

Some will tell you that America is in trouble in this new world of opportunity. But I have a simple vision -- and that is to compete, not retreat.

In order to win that economic competition -- in order to win the peace -- we must prepare to compete. We need an integrated

2

strategy -- not one that places economic policy and foreign policy and domestic policy in three different boxes -- because, in fact, they are related. My agenda ties them together, because that's what's required to make America safe and strong.

My strategy is based on opening markets, on preparing our workforce, on sharpening our competitive edge by investing in the future, on creating opportunity by training our workers and fixing our health care system, and on rightsizing government -- by cutting spending and holding the line against taxes.

That strategy is not without controversy. Some want to close access to our markets, and risk future growth in exports. Some in the Congress are today sacrificing our investments in the future to the irresistible appeal of spending on current consumption. Some believe that higher taxes will give us the money to have the government take over America's investment strategy. I want to talk to you today about which strategy will work for America.

Let's be clear about one thing: despite what the pessimists say, we have begun to succeed already in opening markets and becoming more competitive. Just look at our export performance over these past four years. We have increased exports by 40%. * We have gained worldwide market share in manufacturing output. In just these last four years, our exports to Japan have grown 12 times faster than our imports. So we can win.

* Exports within the high-tech industries have increased by 12% in the last 8 years.

But in order to do so, we must sharpen the competitive edge of American business by investing in knowledge, in new ideas, and in the technologies we will need to compete. That is a key part of my

agenda. This should be no surprise, because knowledge is an historic American strength, and we must build on our strengths.

New knowledge and new technology will give us the chance to increase productivity -- to help the economy grow -- to create jobs. For proof of the relationship between technological success and job creation, we need look no further than here in Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. Illinois is America's number one manufacturer of telecommunications equipment. So winning the race for new ideas, winning the technology race, means jobs for Illinois, and jobs for America.

By every measure, the United States leads the world in the generation of new knowledge. We have produced the most scientific literature, the most new patents, the most Nobel prizes. We cannot keep that lead without investing in new knowledge -- so my budget for this year represents a 35% increase over 1989 in basic research.

But basic research is only half the story. For America to lead, we need to take our ideas from the laboratory to the marketplace -- and do it more quickly. And that is where this Administration is making new strides.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's -- within four years. Our vision is a Cray the size of a McIntosh -- a supercomputer you can put on your desktop.

IBM PC 7
*This is Apple product -
I Sculley endorsed
C/mon*

4

We also proposed a nationwide network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

Last year, we launched another crosscutting technology plan -- an investment of over \$1.8 billion in the materials of tomorrow. These new kinds of materials will help us make products that are stronger, lighter, and faster -- everything from cars to airplanes to military equipment. You've heard of "planes, trains, and automobiles" -- we'll be more competitive in all three with the investments we are making today in the development of advanced materials.

And that's not all. We've launched a \$4 billion program in biotechnology -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, improve agricultural performance, and clean up the environment.

We've turned some of the expertise at the Federal labs toward the task of cleaning up the legacy of the Cold War -- forty years worth of accumulated environmental problems left from making the weapons that defended freedom around the globe. Winning the peace means protecting the public from these hazards, and managing dangerous materials in the Federal government's possession more responsibly in the future.

The key to all of these initiatives is partnership. We cannot move ideas and technologies from the laboratory bench to the

5

commercial marketplace without bringing people together -- business and government, universities and the Federal labs.

That's what this National Technology Initiative, or NTI, is all about. This is the eleventh NTI meeting we've had -- each in a different part of the country; each designed to get the word out that ^{we're} we've going to make it easier to deal with the Federal government as a partner. If you attend the workshops and visit the technology fairs, we hope you'll get a window on today's opportunities, and an early start on tomorrow's successes.

We've brought this cooperation to new heights. A year ago, I directed the Secretaries of Commerce and Energy to increase the number of cooperative research and development agreements signed between our Federal facilities and private partners. These CRADAs ((CRAY-DAHS)), as they are called, help speed the transfer of the most promising technologies to the private sector -- so they can be developed into commercial products and services.

And in the one year since that directive was issued -- we've doubled the number of these agreements. There are now more than 1,400 operating and in place. Computers. Ceramics. Environmental cleanup. We are achieving an unprecedented level of success in taking the best ideas from our labs and turning them into American products and American jobs.

In just a few minutes, we will sign several new breakthrough agreements. The first one involves two Federal labs and three industry partners -- working together to solve several problems at once. The agreement will determine the right mix for burning pelletized trash along with coal to generate electricity. The

6

results will be less sulfur dioxide emissions into the air, less trash overflowing in our landfills, and more jobs created in here in Illinois producing this new fuel.

A second one -- between Argonne Lab and Motorola -- will help improve circuitry for communications and electronics. A third will bring the Oak Ridge National Lab together with IBM to extend America's leadership in High Performance Computing. The fourth involves a partnership between General Motors and the National Insistute of Standards and Technology to develop new software to solve problems in automated manufacturing equipment.

These agreements bring the concept of partnership to life -- providing rules of the road, protection of patents and intellectual property, and other understandings -- so that technology transfer is not a concept but a job-producing reality.

This partnership will also take form in our Manufacturing Technology Centers. This Administration has established seven such centers around the country -- in order to help introduce new equipment and improve manufacturing processes for small and medium-sized firms. Just since 1989, more than 6,000 companies have used the services provided by these centers -- and we plan to start up four more next year.

In next year's budget, we will launch a new cross-cutting initiative to increase our investment in R&D into new technologies to advance the manufacturing process. Today's factories face a different set of challenges from those a generation ago. In the face of fast changing requirements, more flexibility is needed.

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We want to advance the development of systems and software, of robotics and artificial intelligence, to make this flexibility possible for all kinds of companies. And the key is this: we will pursue ^{this} with the private sector.

I have used the word partnership advisedly today, because it reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs, to invest in the most promising technologies of tomorrow, have recognized the fact that the private sector must commercialize these technologies.

We are providing the tools for the private sector to do the job. No investment that is not guided by this technology pull from the market is ultimately going to be successful.

And on this point, there is a real difference. The other side believes that government experts can pick the best technologies and push them out the door. My opponent's proposal is to create hundreds of centers, with money he will not have unless he raises your taxes. It is a prescription to "hurry up and wait." Rather than waiting to build more government buildings, I believe we should work to develop the technology we have right now. Rather than waiting for the bureaucrats and planners decide what's best, I believe we should build the kind of partnerships that allow the private sector to help identify and commercialize promising technologies in which we are pursuing leadership today.

Now, it's a political year, and my opponent has made a specialty out of saying things that sound good, but that aren't backed up by his record or his philosophy. And on the subject of

2

R&D, as on so many other subjects, Governor Clinton has truly earned his reputation as Governor Doublespeak.

Bill Clinton has told America that he would invest in civilian R&D -- and he has said flat out, with a straight face, that we have cut this investment. He must have been smoking something again on that one.

The fact is that this Administration has increased the Federal investment in civilian R&D by 28% just since 1989. We have increased basic research. We have increased applied R&D. We have invested in energy R&D and environmental R&D. Aeronautics and magnetically levitated high speed rail. Computing and communications. Protecting the public health and exploring the frontiers of space.

Now here's the best part. In each and every year that we have sent our budget to the pork-happy partisans on Capitol Hill, they have cut our R&D budget. They have spent it on water projects. They have spent it on providing subsidies to, get this, vacant public housing units. They have funded every pet project from mink research to subsidies for rich rural telephone cooperatives who just happen to give big contributions to Congressmen.

This year, we proposed an increase for the National Science Foundation to advance our plans in both basic and applied research. And even as Governor Clinton called for more investment, and even as his team consults with the Democratic leaders on Capitol Hill every day, that increase was wiped out.

2

So when Governor Doublespeak looks you in the eye and says he wants to invest in civilian R&D, I say -- we're already doing it. And your allies in Congress are not helping.

Governor Clinton says he wants to take every dollar we save in defense R&D and spend it on civilian R&D. In this year's budget, I increased civilian R&D by 8%, and defense R&D by only one percent. Every cent from defense went to civilian.

But get this, when we sent the Congress a proposal to transfer \$50 million from weapons research to promote the kind of technology partnerships we're talking about today, they denied the transfer. And last week, when we proposed to transfer another \$186 million from unneeded nuclear weapons materials production to new technologies which will help stop the spread of weapons around the world and help clean up our weapons facilities, Congress denied most of that transfer, too. They wanted to spend the money on pork instead.

So when Governor Doublespeak looks you in the eye and says he's for shifting R&D funds from defense to civilian, you tell him we're already doing it. But you might ask him to speak to his partners in pork on Capitol Hill.

And here's the best one of all. Bill Clinton says that he's for our proposal to make the R&D tax credit permanent, and for a modified reduction in capital gains taxes. At the exact moment he is looking the American people in the eye and telling them these things, his allies on Capitol Hill are blocking their enactment.

So when Governor Doublespeak looks you in the eye and says he's for

10

investment incentives, tell him we've already proposed and financed them, but let's cut the partisan games and pass the bills.

I'm afraid that Bill Clinton on the subject of technology is like Bill Clinton on any subject -- promise them anything, but keep two fingers crossed behind your back.

Behind my opponent's charges lies the worst kind of cynicism - - saying things he knows to be not true with the straight face of the professional prevaricator.

For the real story on Bill Clinton and technology, let's look at the record.

The most recent report card on technology indicators, published by the Corporation for Enterprise Development, rated Arkansas near the very bottom among states in virtually every technology-related factor. For "technology resources", Arkansas received an "F". And Bill Clinton has allowed Arkansas' incubator program to die on the vine for lack of state funds.

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11

Jim Thompson and Jim Edgar have started, in partnership with the Federal government and the private sector, five technology centers -- working on everything from advanced cement based materials to magnetic resonance.

When the chips were down in Arkansas, Bill Clinton did not deliver on technology. And when "Promise them Anything" Clinton teams up with "Spend it on Anything" Congress, Lord knows what they will deliver.

The fact is that Bill Clinton talks about the future, but his ideas and his support come from the patrons of the past. For these and so many other reasons, it is clear that Bill Clinton is the wrong man for America.

One of the most quintessentially American figures of our time, John Wayne, once said that: "Tomorrow is the most important thing in life."

When the shouting is finished, when the campaign winds down to its end, it will come down to a very personal and serious decision for every American. What kind of tomorrow do you want?

Do you want a tomorrow in which we look forward and take on the competition, or one in which we turn inward in retreat?

Do you want a tomorrow in which we invest in the technologies that can make us more competitive, or in which we allow the patrons of the past to spend our future away?

Do you want a tomorrow in which work and innovation are rewarded, or in which we turn back down the path of higher taxes and more regulation?

12

Winston Churchill once said about elections: "What it all comes down to is a little man, in a little booth, marking a little "x" on a little piece of paper."

When Americans step into that booth this year, they will face a fundamental choice about the kind of future they want. I have come to Chicago today, to this city that works, to offer my ideas for a future full of promise. A future in which America works, America competes, and America wins.

I ask you to join me in this future. America today faces opportunities that previous generations only dreamed about. Let us seize them.

Thank you, God bless you, and God bless the United States of America.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 09/23/92 *92 SEP 24 12:22* ACTION/CONCURRENCE/COMMENT DUE BY: 11:00 a.m. 09/24

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE, CHICAGO, IL -
09/25/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MULLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" 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 checked="" 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"/>
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ZOELICK	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MCGROARTY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	<u>GROOMES</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<u>BOSKIN</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:
 Please provide any comments directly to Dan McGroarty no later than 11:00 a.m. on Thursday, 09/24, with a copy to this office. Thanks.

Ede Holiday Too Clintonesque -- too much government, not enough private sector -- too programatic -- not enough visionary.

RESPONSE: *See comments. Thanks.*
Paul K. Fenta
09/24
Paul K.
13085

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

PRESIDENTIAL REMARKS

(Grady, 9/22/92)
 NATIONAL TECHNOLOGY INITIATIVE
 CHICAGO, ILLINOIS
 FRIDAY, SEPTEMBER 25, 1992

23 P 8. 3

Thank you, Governor Edgar, for that introduction. At a certain convention I attended last month in Houston, an 82-year old American named Ronald Reagan said something very revealing about our country. "Like most Americans," he said, "I live for the future."

It is that spirit which defines America, and it is that spirit which brings us together today.

A few weeks ago in Detroit, I presented my ideas for an Agenda for American Renewal. That Agenda is guided by my fundamental belief that the most important challenge we face as Americans -- the defining challenge of the 90s -- is to win the economic competition.

That's what our future plans must be all about. Getting ready to compete in an increasingly interdependent world. Our world is tied together as never before by new technology and new information systems. It is linked in seamless competition by the free flow of capital across borders. And, most importantly, it filled with new promise and new opportunity because of the explosion of new freedoms and new markets in places where the light of liberty had never before ~~been~~ ^{been permitted} to shine.

(DOE)

Some will tell you that America is in trouble in this new world of opportunity. But I have a simple vision -- and that is to compete, not retreat.

In order to win that economic competition -- in order to win the peace -- we must prepare to compete. We need an integrated

strategy -- not one that places economic policy and foreign policy and domestic policy in three different boxes -- because, in fact, they are related. My ~~agenda~~ ^{strategy for American renewal} ties them together, because that's what's required to make America safe and strong. (DOE)

My strategy is based on opening markets, on preparing our workforce, on sharpening our competitive edge by investing in the future, on creating opportunity by training our workers and fixing our health care system, and ~~on rightizing government~~ ^{on utilizing partnerships between government and industry to maximize resources to solve} ~~spending and holding the line against taxes~~ ^{problems in minimum time.} (DOE)

That strategy is not without controversy. Some want to close access to our markets, and risk future growth in exports. Some in the Congress are today sacrificing our investments in the future to the irresistible appeal of spending on current consumption. Some believe that higher taxes will give us the money to have the government take over America's investment strategy. I want to talk to you today about which strategy will work for America.

Let's be clear about one thing: despite what the pessimists say, we have begun to succeed already in opening markets and becoming more competitive. Just look at our export performance over these past four years. We have increased exports by ~~33%~~ ^{65%}. We have gained worldwide market share in ~~manufacturing output~~. In just these last four years, our exports to Japan have grown ~~2~~ ^(use 3 1/2 or 9) times faster than our imports. So we can win. ^{exports of manufactured goods.}

(ask them DOE office says it is at least over 50%)

(DOE JTT)

(use 3 1/2 or 9)

But in order to do so, we must sharpen the competitive edge of American business by investing in knowledge, in new ideas, and in the technologies we will need to compete. That is a key part of my

(DOE)

~~agenda~~
strategy

This should be no surprise, because knowledge is an historic American strength, and we must build on our strengths.

New knowledge and new technology will give us the chance to increase productivity -- to help the economy grow -- to create jobs. For proof of the relationship between technological success and job creation, we need look no further than here in Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. Illinois is America's number one manufacturer of telecommunications equipment. So winning the race for new ideas, winning the technology race, means jobs for Illinois, and jobs for America.

DOE
can't
verify

By every measure, the United States leads the world in the generation of new knowledge. We have produced the most scientific literature, the most new patents, the most Nobel prizes. We cannot keep that lead without investing in new knowledge -- so my budget for this year represents a 35% increase over 1989 in basic research.

But basic research is only half the story. For America to lead, we need to take our ideas from the laboratory to the marketplace -- and do it more quickly. And that is where this Administration is making new strides.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's -- within four years. Our vision is a Cray the size of a McIntosh -- a supercomputer you can put on your desktop.

4

We also proposed a nationwide network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

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And that's not all. We've launched a \$4 billion program in biotechnology -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, improve agricultural performance, and clean up the environment.

We've turned some of the expertise at the Federal labs toward the task of cleaning up the legacy of the Cold War -- forty years worth of accumulated environmental problems left from making the weapons that defended freedom around the globe. Winning the peace means protecting the public from these hazards, and managing dangerous materials in the Federal government's possession more ^{effectively} ~~responsibly~~ in the future.

The key to all of these initiatives is partnership. We cannot move ideas and technologies from the laboratory bench to the

5

commercial marketplace without bringing people together -- business and government, universities and the Federal labs.

That's what this National Technology Initiative, or NTI, is all about. This is the eleventh NTI meeting we've had -- each in a different part of the country; each designed to get the word out that we've going to make it easier to deal with the Federal government as a partner. If you attend the workshops and visit the technology ~~area~~^{fair}, we hope you'll get a window on today's opportunities, and an early start on tomorrow's successes.

We've brought this cooperation to new heights. A year ago, I directed the Secretaries of Commerce and Energy to increase the number of cooperative research and development agreements signed between our Federal facilities and private partners. These CRADAs ((CRAY-DAHS)), as they are called, help speed the transfer of the most promising technologies to the private sector -- so they can be developed into commercial products and services.

And in the one year since that directive was issued -- we've doubled the number of these agreements. There are now more than 1,400 operating and in place. Computers. Ceramics. Environmental cleanup. We are achieving an unprecedented level of success in taking the best ideas from our labs and turning them into American products and American jobs.

In just a few minutes, we will sign several new breakthrough agreements. The first one involves two Federal labs and three industry partners -- working together to solve several problems at once. The agreement will determine the right mix for burning pelletized trash along with coal to generate electricity. The

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results will be less sulfur dioxide emissions into the air, less trash overflowing in our landfills, and more jobs created in here in Illinois producing this new fuel.

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This partnership will also take form in our Manufacturing Technology Centers. This Administration has established seven such centers around the country -- in order to help introduce new equipment and improve manufacturing processes for small and medium-sized firms. Just since 1989, more than 6,000 companies have used the services provided by these centers -- and we plan to start up four more next year.

In next year's budget, we will launch a new cross-cutting initiative to increase our investment in R&D into new technologies to advance the manufacturing process. Today's factories face a different set of challenges from those a generation ago. In the face of fast changing requirements, more flexibility is needed.

7

We want to advance the development of systems and software, of robotics and artificial intelligence, to make this flexibility possible for all kinds of companies. And the key is this: we will pursue with the private sector.

I have used the word partnership advisedly today, because it reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs, to invest in the most promising technologies of tomorrow, have recognized the fact that the private sector must commercialize these technologies.

We are providing the tools for the private sector to do the job. No investment that is not guided by this technology pull from the market is ultimately going to be successful.

And on this point, there is a real difference. The other side believes that government experts can pick the best technologies and push them out the door. My opponent's proposal is to create hundreds of centers, with money he will not have unless he raises your taxes. It is a prescription to "hurry up and wait." Rather than waiting to build more government buildings, I believe we should work to develop the technology we have right now. Rather than waiting for the bureaucrats and planners decide what's best, I believe we should build the kind of partnerships that allow the private sector to help identify and commercialize promising technologies in which we are pursuing leadership today.

Now, it's a political year, and my opponent has made a specialty out of saying things that sound good, but that aren't backed up by his record or his philosophy. And on the subject of

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R&D, as on so many other subjects, Governor Clinton has truly earned his reputation as Governor Doublespeak.

Bill Clinton has told America that he would invest in civilian R&D -- and he has said flat out, with a straight face, that we have cut this investment. He must have been smoking something ~~again~~ ^{that stuff} again and this time he must have inhaled. (DOE)

~~that one~~
The fact is that this Administration has increased the Federal investment in civilian R&D by 28% just since 1989. We have increased basic research. We have increased applied R&D. We have invested in energy R&D and environmental R&D. Aeronautics and magnetically levitated high speed rail. Computing and communications. Protecting the public health and exploring the frontiers of space.

Now here's the best part. In each and every year that we have sent our budget to the pork-happy partisans on Capitol Hill, they have cut our R&D budget. They have spent it on water projects. They have spent it on providing subsidies to, get this, vacant public housing units. They have funded every pet project from mink research to subsidies for rich rural telephone cooperatives who just happen to give big contributions to Congressmen.

This year, we proposed an increase for the National Science Foundation to advance our plans in both basic and applied research. And even as Governor Clinton called for more investment, and even as his team consults with the Democratic leaders on Capitol Hill every day, that increase was wiped out.

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So when Governor Doublespeak looks you in the eye and says he wants to invest in civilian R&D, I say -- we're already doing it. And your allies in Congress are not helping.

Governor Clinton says he wants to take every dollar we save in defense R&D and spend it on civilian R&D. In this year's budget, I increased civilian R&D by 8%, and defense R&D by only one percent. Every cent from defense went to civilian.

But get this, when we sent the Congress a proposal to transfer \$50 million from weapons research to promote the kind of technology partnerships we're talking about today, they denied the transfer. And last week, when we proposed to transfer another \$186 million from unneeded nuclear weapons materials production to new technologies which will help stop the spread of weapons around the world and help clean up our weapons facilities, Congress denied most of that transfer, too. They wanted to spend the money on pork instead.

So when Governor Doublespeak looks you in the eye and says he's for shifting R&D funds from defense to civilian, you tell him we're already doing it. But you might ask him to speak to his partners in pork on Capitol Hill.

And here's the best one of all. Bill Clinton says that he's for our proposal to make the R&D tax credit permanent, and for a modified reduction in capital gains taxes. At the exact moment he is looking the American people in the eye and telling them these things, his allies on Capitol Hill are blocking their enactment. So when Governor Doublespeak looks you in the eye and says he's for

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investment incentives, tell him we've already proposed and financed them, but let's cut the partisan games and pass the bills.

I'm afraid that Bill Clinton on the subject of technology is like Bill Clinton on any subject -- promise them anything, but keep two fingers crossed behind your back.

Behind my opponent's charges lies the worst kind of cynicism - - saying things he knows to be not true with the straight face of the ~~professional~~ ^{slick and polished} prevaricator. (DOE)

For the real story on Bill Clinton and technology, let's look at the record.

The most recent report card on technology indicators, published by the Corporation for Enterprise Development, rated Arkansas near the very bottom among states in virtually every technology-related factor. For "technology resources", Arkansas received an "F". And Bill Clinton has allowed Arkansas' incubator program to die on the vine for lack of state funds.

Compare that to Illinois under Jim Thompson and Jim Edgar. Right here at the University of Chicago, they've helped to launch exactly the kind of partnership I'm talking about. The ARCH Development Corporation, a partnership between state and university and private sector, helps to identify and develop the most promising new technologies coming out of this great University and out of our Argonne National Lab. This cooperative venture has helped to launch new companies that are doing everything from improving the use of superconducting liquids to improving the lighting of computer screens.

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Jim Thompson and Jim Edgar have started, in partnership with the Federal government and the private sector, five technology centers -- working on everything from advanced cement based materials to magnetic resonance.

When the chips were down in Arkansas, Bill Clinton did not deliver on technology. And when "Promise them Anything" Clinton teams up with "Spend it on Anything" Congress, Lord knows what they (DOE) will deliver. He clearly knows more about buffalo chips than microchips.

The fact is that Bill Clinton talks about the future, but his ideas and his support come from the patrons of the past. For these and so many other reasons, it is clear that Bill Clinton is the wrong man for America.

One of the most quintessentially American figures of our time, John Wayne, once said that: "Tomorrow is the most important thing in life."

When the shouting is finished, when the campaign winds down to its end, it will come down to a very personal and serious decision for every American. What kind of tomorrow do you want?

Do you want a tomorrow in which we look forward and take on the competition, or one in which we turn inward in retreat?

Do you want a tomorrow in which we invest in the technologies that can make us more competitive, or in which we allow the patrons of the past to spend our future away?

Do you want a tomorrow in which work and innovation are rewarded, or in which we turn back down the path of higher taxes and more regulation?

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Winston Churchill once said about elections: "What it all comes down to is a little man, in a little booth, marking a little "x" on a little piece of paper."

When Americans step into that booth this year, they will face a fundamental choice about the kind of future they want. I have come to Chicago today, to this city that works, to offer my ideas for a future full of promise. A future in which America works, America competes, and America wins.

I ask you to join me in this future. America today faces opportunities that previous generations only dreamed about. Let us seize them.

Thank you, God bless you, and God bless the United States of America.

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OFFICE OF THE SECRETARY

FACSIMILE TRANSMITTAL SHEET

DATE 9/24/92

TO PAUL KORFONTA

FAX NUMBER (202) 456-2223

OFFICE NUMBER (202) 456-6630

COMMENTS _____

FROM RUTH BURNS

FAX NUMBER (202) 586-7644

OFFICE NUMBER (202) 586-6210

NUMBER OF PAGES INCLUDING COVER 7

Suggested comments on Presidential Remarks

Page 1, last sentence of 3rd paragraph.

Change "where the light of liberty had never before dared to shine" to

"where the light of liberty had never before been permitted to shine"

Rationale: the spirit of liberty can never be daunted but it can be blocked temporarily.

Page 2, line 3

Change "My agenda ties them together" to "My strategy for American renewal ties them together"

Rationale: A agenda is fundamentally a list; a strategy is a thoughtfully developed plan that inherently integrates separate parts into a focussed, cohesive whole.

Page 2, line 8

Add after "health care system," the phrase "on utilizing partnerships between government and industry to maximize resources to solve problems in minimum time,"

Rationale: Broadens the discussion of strategy in regards to competitiveness beyond federal investment to include cost-shared/cost-effective teaming.

Page 3, line 1

Replace the first word "agenda" with "strategy"

Rationale: See discussion regarding Page 2, line 3.

Page 4, line 25

Replace "responsibly" with "effectively"

Rationale: The current phrasing could be misused to charge the Administration with having been irresponsible in its waste management practices. Focusing on effectiveness rather than responsibility indicates a recognition of the

importance of meeting environmental objectives concurrently with other needs, such as national security.

Page 5, line 8

Suggest making "fairs" singular

Rationale: There is usually only one exhibit area per NTI event.

Page 8, lines 5-6.

Suggest replacing the current sentence with: "He must have been smoking that stuff again and this time he must have inhaled."

Rationale: Toxicologically speaking, the new articulation is a better presumption.

Page 10, line 8.

Suggest replace "professional" with "slick and polished"

Rationale: There is no formal professional association in this area.

Page 11, line 7

Suggest inserting the following sentence for amplification: "He clearly knows more about buffalo chips than micro-chips."

General comment:

The remarks are solid, sound and to the point. Somewhere a little more meat on industry's willingness to partner could be added. Consider at page 7, line 12 inserting the following sentences: "You have come to this National Technology Initiative because you recognize that the partnership concept is working and that this Administration and the one before have made working with federal laboratories fairer, more predictable, and more focussed on enhancing our economic competitiveness."

WHITE HOUSE STAFFING MEMORANDUM

JMH
 - FH - TA
 - TB - WMM

DATE: 09/23/92 ^{92 SEP 24 P12:07} ACTION/CONCURRENCE/COMMENT DUE BY: 11:00 a.m. 09/24

SUBJECT: PRESIDENTIAL REMARKS: NATIONAL TECHNOLOGY INITIATIVE, CHICAGO, IL -
09/25/92

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MULLINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MCGROARTY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>KAUFMAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HORNER	<input type="checkbox"/>	<input type="checkbox"/>	<u>GROOMES</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>

REMARKS:
 Please provide any comments directly to Dan McGroarty no later than 11:00 a.m. on Thursday, 09/24, with a copy to this office. Thanks.

RESPONSE:

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

PRESIDENTIAL REMARKS:

(Grady, 9/22/92)

NATIONAL TECHNOLOGY INITIATIVE
CHICAGO, ILLINOIS
FRIDAY, SEPTEMBER 25, 1992

Thank you, Governor Edgar, for that introduction. At a certain convention I attended last month in Houston, an 82-year old ~~American~~ ^{FORMER PRESIDENT} named Ronald Reagan said something very revealing about our country. "Like most Americans," he said, "I live for the future."

It is that spirit which defines America, and it is that spirit which brings us together today.

A few weeks ago in Detroit, I presented my ~~ideas for an~~ Agenda for American Renewal. ~~That~~ ^{MY} Agenda is guided by ~~my~~ ^A fundamental belief that the most important challenge we face as Americans -- the defining challenge of the 90s -- is to win the economic competition.

That's ~~what~~ ^{THE GOAL} our ~~future plans must be all about.~~ ^{PLANNING MUST BE ACHIEVED} Getting ready to compete in ~~an increasingly interdependent world.~~ ^{A GLOBAL ECONOMY} Our world is ~~linked~~ ^{LINKED} together as never before by ~~new technology, and new information systems.~~ ^{THE FLOW OF} ~~It is linked in seamless competition by the free flow of~~ capital across borders. ~~And,~~ ^{AND} most importantly, it filled with new promise ^S and ~~new~~ ^{IES} opportunity because of the explosion of new freedoms and new markets in places where the light of liberty had ^S ~~never before dared to shine.~~ ^{PUT AN END TO THE DARKNESS}

Some will tell you that America is in trouble in this new world of opportunity. But I have a simple vision -- and that is to compete, not retreat. ^{OUR PEOPLE AND OUR BUSINESSES}

In order to win that economic competition -- in order to win the peace -- we must prepare to compete. We need an integrated

ADDRESSES ²

strategy -- not one that ~~places~~ economic policy and foreign policy and domestic policy ~~in three different boxes~~ ^{INDEPENDENTLY} -- because, in fact, they are related. My agenda ties them together, because that's what's required to make America safe and strong.

My strategy is based on opening markets, on ~~preparing~~ ^{STRENGTHENING} our workforce, on sharpening our competitive edge by investing in the future, on ~~creating~~ ^{EXPANDING} opportunity by training our workers and ~~fixing~~ ^{REFORMING} our health care system, and on rightsizing government -- by cutting spending and holding the line against taxes.

That strategy is not without controversy. Some want to close access to our markets, and risk future growth in exports. Some in the Congress ^{are} ~~are~~ today sacrificing our investments in the future to the irresistible appeal of spending on current consumption. Some believe that higher taxes will give us the money to have the government take over America's investment strategy ^{AND LET THE GOVERNMENT PICK}. I want to talk to you today about which strategy will work for America.

Let's be clear about one thing: despite what the pessimists say, we have begun to succeed already in opening markets and becoming more competitive. Just look at our export performance over these ⁹ past four years. We have increased exports by 40%. We have gained worldwide market share in manufacturing output. In just these last four years, our exports to Japan have grown 12 times faster than our imports. So we can win.

But in order to do so, we must sharpen the competitive edge of American business by investing in knowledge, in new ideas, and in the technologies we will need to compete. That is a key ~~part~~ ^{ELEMENT} of my

WINNERS AND LOSERS.

agenda. ~~This should be no surprise, because~~ knowledge is an historic American strength, and we must build on our strengths.

New knowledge and new technology will give us the chance to increase productivity -- to help the economy grow -- to create jobs. For proof of the relationship between technological success and job creation, we need look no further than here in Illinois. 588,000 jobs in this state are tied to high technology -- that's over 11 percent of Illinois' work force. Illinois is America's number one manufacturer of telecommunications equipment. So winning the race for new ideas, winning the technology race, means jobs for Illinois, and jobs for America.

By every measure, the United States leads the world in the generation of new knowledge. We have produced the most scientific literature, the most new patents, the most Nobel prizes. We cannot keep that lead without investing in new knowledge -- so my budget for this year represents a 35% increase over 1989 in basic research.

But basic research ^{TRANSFER} is only half the story. For America to lead, we need to ~~take~~ our ideas from the laboratory to the marketplace -- and do it more quickly. And that is where this Administration is making new strides.

Two years ago, we pulled every Federal agency together to launch a new program to develop the supercomputers of tomorrow -- computers 1000 times more powerful than today's -- within four years. Our vision is a Cray the size of a ^HMcIntosh -- a supercomputer you can put on your desktop.

?
COMPUTER

We also proposed a nationwide network -- an information backbone that will transmit 1000 times more information than we can today in one second. This year, we've proposed over \$800 million, a 23% increase, for this High Performance Computing and Communications initiative.

Last year, we launched another ^{DEVELOPING} crosscutting technology plan -- an investment of over \$1.8 billion in the materials of tomorrow. These new kinds of materials will help us make products that are stronger, lighter, and faster -- everything from cars to airplanes to military equipment. You've heard of "planes, trains, and automobiles" -- we'll be more competitive in all three with the investments we are making today in the development of advanced materials.

And that's not all. We've launched a \$4 billion program in biotechnology -- and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, improve agricultural performance, and clean up the environment.

We've turned some of the expertise at the Federal labs toward the task of cleaning up the legacy of the Cold War -- ~~forty years~~ ^{CONTINUING TO} ~~worth of accumulated~~ environmental problems left from making the weapons that defended freedom around the globe. Winning the peace means protecting the public from these hazards, and ~~managing~~ ^{managing} dangerous materials in the Federal government's possession ~~more~~ responsibly, ~~in the future.~~

The key to all of these initiatives is partnership. We cannot... move ideas and technologies from the laboratory bench to the

commercial marketplace without bringing people together -- business and government, universities and the Federal labs.

That's what this National Technology Initiative, or NTI, is all about. This is the eleventh NTI meeting we've had -- each in a different part of the country; each designed to get the word out that we're going to make it easier to deal with the Federal government as a partner. If you attend the workshops and visit the technology fairs, we hope you'll get a window on today's opportunities, and an early start on tomorrow's successes.

We've brought this cooperation to new heights. A year ago, I directed the Secretaries of Commerce and Energy to increase the number of cooperative research and development agreements signed between our Federal facilities and private partners. These CRADAs ((CRAY-DAHS)), as they are called, help speed the transfer of the most promising technologies to the private sector -- so they can be developed into commercial products and services.

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THE DEMOCRATS MUST

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Thank you, God bless you, and God bless the United States of America.

#