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Clinton would let foreign bureaucrats regulate U.S. economy.

- Clinton said he would have "proudly" signed the various Rio Earth Summit treaties and other documents, which would force America's most internationally competitive companies to surrender valuable patents and "intellectual" property.
- "I would have shaped the Earth Charter, Agenda 21, the Forest Principles, and the Climate Change, and the Biodiversity conventions to convey our commitment to a new world in which each nation's environmental performance is the concern of its neighbors. And today I would be signed every one of those documents proudly." [Clinton press conference, Washington, D.C., 6/12/92]

Clinton would endanger public pension funds.

- Clinton would tap both private and public pension funds to finance "pork barrel" public works projects he proposes — diverting dollars now available for job-creating small business investment. [Putting People First, page 5, Clinton for President]

Clinton has no plan for bank reform.

- Clinton has provided no blueprint for reform of financial services — nor has he offered an agenda to make American banking more competitive internationally.
- Clinton is silent on the issue of interstate banking, but his aides have said he "would be . . . not so pushy on Glass-Steagall repeal." [American Banker, 3/10/92]

Clinton would imperil future jobs.

- Clinton's mandatory national health care scheme would cost more than 712,740 jobs. [Information chart, Joint Economic Committee, U.S. Congress, 7/1/92]

Clinton would threaten small businesses.

- Clinton's 1.5-percent payroll tax for job training will add \$10 billion to the tax burden on small businesses and would cost more than 70,000 Americans their jobs. [Economic Policy Update, Joint Economic Committee, U.S. Congress, 7/92]

Clinton supports the idea of a centralized industrial policy.

- Clinton advocates creation of a national civilian research and development bureaucracy to pick economic winners and losers. [Putting People First, page 7, Clinton for President]

- Clinton's economic plan is ominously silent on over-regulation of industry or the American economy, and this is no sign that he supports deregulation of any kind.

Clinton prefers regulating Mexico to jobs for Americans.

- Clinton would forego hundreds of thousands of new American jobs that would be created by a free-trade agreement with Mexico if Mexico did not impose "higher standards for labor income, and safety, and environmental investments." [Clinton press conference, Washington, D.C., 6/12/92]

Clinton is "real good to trial lawyers."

- Clinton's campaign is making a special effort to raise money from lawyers. "The bottom line is, it's a group that has been organized to raise money. . ." said Nancy Johnson, Clinton's mid-Atlantic finance director. "Obviously, down the line, these people will have input." [Legal Times, 3/2/92]
- Clinton champions opposition to tort reform and supports the status quo for trial lawyers. [Fund-raising letter to Wisconsin trial lawyers, 3/25/92]
- Clinton called President Bush's proposals to correct the tort system "trivial choices." [Benton Air Courier, 8/14/92]
- Clinton, as Arkansas governor, is "real good to the trial lawyers," said James McMath, head of the Arkansas Trial Lawyers Association PAC. Clinton "had put a couple of small tort reform measures in one of his legislative packages one year," McMath recalled. "We went to meet with him on that, and he apologized and worked with us hand in glove the rest of the way." [Legal Times, 3/23/92]
- "Arkansas is one of the few states not to have passed any significant legislation limiting liability or cutting down costs in tort litigation." [Legal Times, 3/23/92]

FACT SHEET

Issues Office



April 2, 1992

PRESIDENT BUSH ON REGULATORY REFORM

"I won't neglect my responsibility for sound regulations that serve the public good, but regulatory overkill must be stopped."

-- President George Bush
State of the Union Address
January 28, 1992

- o President Bush has made the reduction of burdensome regulation a priority in spurring economic growth. The President has taken significant steps to ease the stranglehold of unnecessary regulation. Excessive regulation, no matter how well-intentioned, stifles economic growth and inhibits job creation.
- o The extent of federal regulation is striking: federal regulations filled over 33,000 pages last year, with over 7,000 regulations issued. All told, the cost of complying with federal regulations is estimated to be between \$300 billion and \$500 billion each year. Last year, Americans spent 5.2 billion hours filling out government forms.
- o The President believes that reducing unnecessary regulation will give Americans more control over their lives -- the power to make the best economic and personal decisions for themselves and their families and businesses.
- o At the President's direction, the Administration is undertaking a number of regulatory relief measures that will improve Americans' quality of life and remove unnecessary costs on business, including:
 - Streamlining the FDA approval process for new drugs, and removing barriers so that terminally-ill patients can receive new, potentially life-saving drugs, that have not yet been approved for general use;
 - Reforming regulation of biotechnology companies to allow more rapid approval of safe new biotech products;
 - Reducing administrative costs for small businesses;

- more -

- Giving contractors greater flexibility in manning construction projects;
 - Using innovative market mechanisms to reduce the costs to the economy of complying with strict Clean Air Act standards -- without sacrificing environmental goals; and
 - Minimizing regulatory burdens for farmers and food processors.
- o Under the Vice President's leadership, the President's Council on Competitiveness is assisting federal agencies in reducing regulatory barriers that hamper the growth of American industries, especially those involved in high technology. In many cases burdensome regulations inhibit necessary growth and investment. Removing these barriers will mean more jobs and enhanced American competitiveness.

The Problem of Over-regulation

- o When government regulates with a heavy hand, businesses, especially small businesses so vital to job creation, are forced to compromise productivity and efficiency and suffer increased costs. Consumers end up paying a hidden tax because, inevitably, the added costs of government regulation are passed on to them in the form of higher prices for products and services. As the President has explained, "From the tab on a bag of groceries at the checkout line to the sticker price on the showroom floor -- every American takes a hit when the government over-regulates."
- o When American businesses suffer the burdens of costly red tape, they become less competitive at home and throughout the world. Government red tape delays the introduction of products made possible by American know-how. Delayed by cumbersome government approval processes, these products become more expensive and less competitive when they finally enter the marketplace. As a result, economic growth suffers, wages are depressed, jobs are lost, and valuable products and services are denied American consumers.

The President's Program for Regulatory Relief

- o President Bush is no newcomer to the issue of excessive government regulation. As a businessman, he experienced its impact; as Vice President, he began a sustained, decade-long effort to reverse the extensive regulatory trend. As head

of the President's Task Force on Regulatory Relief, then-Vice President Bush spearheaded efforts to reform regulation of financial services -- reforms Congress still refuses to enact -- that would have eased the cost of raising capital, and improved the competitiveness of American financial markets. Efforts by the Task Force on Regulatory Relief are estimated to have saved over \$150 billion that otherwise would have been spent in complying with needless regulations.

- o As President, George Bush has continued to fight against the stifling effects of heavy-handed bureaucracy. The President believes that regulators must be sensitive to how their regulations affect economic growth and job creation. Despite pressure from affected businesses and consumers, the Democratic Congress refuses to ease burdensome regulation by passing the President's proposals. Nevertheless, the President has used his executive authority to devise and implement necessary reforms:

- In his State of the Union Address, the President announced a 90-day moratorium on new regulations to review the impact of existing and proposed rules on job creation and economic growth.
- Agencies are to accelerate initiatives that could promote growth and create jobs.
- Agencies are to review carefully their regulations to ensure their benefits to society clearly outweigh their costs.
- Agencies are to use performance standards to the fullest extent possible, rather than command-and-control requirements.
- Agencies are to ensure their regulations are crafted to provide clear and certain guidance to regulated firms, and to avoid needless litigation.

Regulatory Relief: Improving Americans' Quality of Life

- o The Bush Administration's regulatory relief program is helping to improve Americans' quality of life, by promoting innovative products for consumers and treatments for terminally-ill patients:

- To expedite the process of bringing vital and possibly life-saving drugs to market, the Food and Drug Administration will cut needless red tape and streamline the government drug approval process. Accelerating this process offers hope to all Americans with serious or life-threatening diseases for which there is no effective alternative therapy.
- To harness America's great ingenuity and the enormous potential of advanced science, the President has proposed new plans to promote the development and commercialization of biotechnology products. As the President explained, "this is a \$4 billion industry and it should grow to \$50 billion by the end of the decade if we let it." The President's deregulatory efforts will help secure American leadership in this vital industry of the future.
- The Administration has developed a plan to help remove old cars -- the biggest polluters and the biggest gas guzzlers -- from the road. This "Cash-for-Clunkers" program will help businesses meet the tough standards of the Clean Air Act at less cost, without sacrificing either the environment or economic growth.

Regulatory Reform: Spurring Economic Growth

- o The Bush Administration's regulatory relief program is spurring economic growth by removing unnecessarily costly regulations, promoting underdeveloped industries, and improving business' access to capital:
 - Recognizing the vital role of small businesses in the domestic economy, the Administration is reducing the burdens of the payroll tax system, simplifying reporting and payment procedures, and offering clearer guidance and assistance to employers.
 - To further enhance the ability of small businesses to raise needed capital, the Securities and Exchange Commission is simplifying needlessly complex registration requirements and increasing the maximum size for public stock offerings under the streamlined procedures of SEC Regulation A from \$1.5 million to \$5 million.

- In the energy area, the Federal Energy Regulatory Commission and EPA are making natural gas more accessible and less costly to consumers and American industry. Cheaper and more widespread use of clean-burning natural gas will lower energy costs, improve the environment and reduce dependence on foreign oil.
- To reduce the costs of transporting goods, the Interstate Commerce Commission and the Federal Maritime Commission are easing several regulatory burdens on the trucking, rail and other shipping industries, ultimately lowering costs to businesses and consumers.
- To improve access to credit and capital, the Administration is adopting rules that would strengthen banks by allowing them to operate across state lines. This will make more credit available to spur new home construction.
- The Department of Labor has given contractors greater flexibility in staff construction projects. That means lower construction costs to businesses and more entry-level jobs in building trades.
- The Department of Agriculture and the Environmental Protection Agency have taken several steps to help farmers produce and market their products at less cost. Among other things, the Administration is relaxing restrictions on pesticides as soon as scientific evidence shows them to be safe, and is modifying overly stringent labelling requirements.

Regulatory Reform: Making Government More Responsive

- o Bush Administration regulatory reforms are also making government more responsive to Americans' needs and wants, streamlining the way government works and stopping unnecessary government intrusions into Americans' lives:
 - The President has proposed sweeping reform of the civil justice system, proposing to ease the enormous costs and burdens of litigation in the federal courts. This initiative, by lowering litigation costs (the "lawyers tax") and adopting rules that discourage frivolous lawsuits, will also improve access to the legal system for those with legitimate claims.

Summary

- o Through these efforts, the President has demonstrated a broad commitment to making government an ally instead of an adversary to the cause of American competitiveness. By cutting back on needless red tape and accelerating initiatives that promote jobs and economic growth, the President is making sure that government regulations serve their intended role, and do not become a means of imposing unnecessary burdens and government control.

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Speech Card
SPENDING CUTS AND RESCISSIONS

July 30, 1992

FOR INTERNAL USE ONLY

CURBING FEDERAL SPENDING

"Getting our fiscal house in order is crucial to our nation's long-term economic health and prosperity."

— President Bush
April 25, 1990

President Bush believes the way to end the budget deficit is to put an end out-of-control government spending. President Bush has demanded that Congress cut hundreds of unnecessary federal programs to save tens of billions of dollars, but Congress insists on spending more, oftentimes on irresponsible "pork barrel" projects.

- Any president must spend almost every dollar Congress mandates. No president spends a dime unless Congress first says so.
- The American people are overtaxed because a Democratic-controlled Congress spends too much.

President Bush demands a Balanced Budget Amendment and the line-item veto to control excessive government spending. Give him the tools, and he'll get the job done.

- American families must balance their checkbooks and live within their means. Congress should have too, as well.

The Democrats double-crossed President Bush in the 1990 budget agreement.

President Bush has sought every opportunity to limit Congress' ability to spend hard-earned taxpayer dollars. That's why the President risked negotiations in 1990 with the Democrat leaders in Congress to limit spending.

- President Bush wanted to achieve real spending cuts and budget reforms to require *responsible future spending*.
- Democrats in Congress forced President Bush to make a "no win" choice between:
 - A one-time tax increase in return for Democrat promises to discipline congressional spending binges, or

- Shutting down the government and putting at risk America's fighting men and women in the Persian Gulf.
- President Bush — refusing as commander-in-chief to put our fighting men and women at such risk — reluctantly went along with the Democrats' deal, knowing he would pay a political price for it. The President said, "I had to do it and I regret it . . ."
- *President Bush learned that Congress cannot be trusted to honor its word.* Last March, the Democrat leadership reneged on their promise and tried again to raise taxes. President Bush stopped them dead in their tracks with a veto.

President Bush's plan to cut the deficit is:

- Freeze spending in that part of the budget he can control.
- Cap the growth in mandatory spending on entitlement programs like Medicaid, which will save \$180 billion over four years.
- Eliminate wasteful programs. Earlier this year, the President forced Congress to rescind \$8 billion in wasteful programs; however, billions more remain.

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CLINTON: JUST ANOTHER "TAX AND SPEND" LIBERAL

Clinton raised Arkansas' taxes and fees 128 times. [*Legislative Tax Handbook, Arkansas Legislature, 1987, 1988, 1989, 1991*]

- "If Congress followed the example Bill Clinton has set as governor of Arkansas, it would pass a tax program that would hit the middle class hardest. . . Taxpayers caught in the middle would stay caught. One might never suspect as much listening to the national, as opposed to the state, Bill Clinton." [Editorial, *The Pine Bluff Commercial*, 12/4/91]

Clinton fought to maintain a sales tax on groceries. [*The Arkansas Gazette*, 3/26/97]

- "In the Clinton era, the state tax system has become more and more regressive. It has become, step by step, a pretty bad system, stacked against the ordinary taxpayer and consumer, stacked for the rich and the special interests." [*The Arkansas Gazette*, 3/4/91]
- "[Arkansas' tax system] places the same 7% income-tax rate on individuals earning \$25,000 a year as those earning \$25 million. Feed for hogs, chickens and cattle is exempt from sales taxes, but food for people (other than food-stamp recipients) isn't." [*The Wall Street Journal*, 4/24/92]

Clinton opposes the Balanced Budget Amendment to the Constitution. [*The New York Times*, 6/11/92]

- Clinton abandoned his pledge to balance the federal budget in four years.
- Clinton now seeks only to cut the deficit in half.
- Despite his promise of "saving" \$140 billion, "the net effect of Mr. Clinton's spending and tax changes would be to reduce the deficit only \$2 billion in fiscal 1993 and \$8 billion in fiscal 1996." [*The Wall Street Journal*, 6/24/92]

Clinton would raise taxes.

- Clinton believes the only way to reduce the deficit in the next few years is through "a massive tax increase." [United Press International, 6/3/92]
- Clinton specifies only one non-defense item he would eliminate: a \$20-million-a-year honey subsidy. However, he specifies at least \$200 billion over four years in "huge new public works expenditures." [Morton Kondracke in *Roll Call*, 6/25/92]

Clinton's economic plan would mean higher taxes, more spending, fewer jobs.

Clinton's economic program, *Putting People First*, guarantees that the federal budget would not be balanced.

Clinton's platform calls for tax increases almost twice as large as those proposed by Walter Mondale and Michael Dukakis — combined.

Clinton also favors federal spending increases almost three times as large as those proposed by Mondale and Dukakis combined.

- Clinton promises to raise \$154 billion in new taxes and spend \$220 billion on massive public works programs — the kind that big city mayors and union bosses love.
- Mondale and Dukakis combined promised to raise \$85 billion in taxes and spend \$76 billion.
- Clinton specifies only one non-defense item he would eliminate: a \$20-million-a-year honey subsidy. [Morton Kondracke in *Roll Call*, 6/25/92]

Clinton is no fiscal conservative.

- Clinton blames federal cutbacks for Arkansas' lack of progress.
- Clinton's own budget records show federal aid to Arkansas doubled since he regained the governor's seat in 1983. [1983 and 1991 Arkansas state budgets]
- Clinton has increased Arkansas' bureaucracy even faster than New York's Mario Cuomo. [1992 *Fiscal Report Card for the Governors*, Cato Institute]
- Administrative costs in the Arkansas Department of Human Services have soared by more than 3,000 percent. [1983 and 1992 Arkansas state budgets]
- Clinton doubled Arkansas' debt burden since 1983. [1992 *Fiscal Report Card for the Governors*, Cato Institute]

TALKING POINTS



July 29, 1992

THE PRESIDENT'S POLICIES FOR AN AMERICAN TECHNOLOGICAL REVOLUTION

The President's Science and Technology Agenda

- o As a former businessman and pioneer in offshore oil drilling, President Bush understands how investment in new technologies can pay dividends in higher productivity and job creation.
 - The President's experience in the private sector reinforced his belief that government is ill-equipped to pick winning and losing technologies or industries. Rather, the President believes, federal investment in generic technologies can provide a strong foundation to creating innovative products and services.
- o The President's science and technology agenda is built on five basic principles:
 - The private sector must be free to set its own research priorities.
 - The Federal government must promote sound tax policies that stimulate private sector R&D investment.
 - Federal regulations that impede firms from developing and marketing new, safe products must be curtailed.
 - The federal government should support basic and applied R&D.
 - Federally-funded technology must be transferred swiftly to the private sector for commercialization.

The President's Initiatives to Promote Commercial Use of R&D

- o The President has proposed to invest over \$76 billion in research and development (R&D) during FY 1993, with funding increases for both defense and civilian research.
- o Under the President's direction, federal grants for commercial R&D are being awarded under a series of federal initiatives (described below). These initiatives target grants for generic technologies research to those industries best equipped to conduct commercially-useful R&D.

- o President Bush's National Technology Initiative (NTI), was announced on February 12, 1992. The NTI is channelling federally-sponsored R&D to those industries where breakthroughs in basic technologies could generate major new products and markets -- including high performance computing and communications, advanced materials, and biotechnology.
- o By year's end, there will be almost 1,700 Cooperative Research and Development Agreements (CRADAs) between government research laboratories and private sector firms.
 - The number of CRADAs with small businesses is projected to increase by 20 percent, to 389. The dollar value of active CRADAs is projected to grow 22 percent from 1992 to 1993, to \$466 million.
 - This year there will be approximately 3,300 new inventions disclosures, 1,500 patent applications, and almost 500 technology licenses awarded.
- o The Department of Commerce's Advanced Technology Program grants fund to industry R&D on generic, pre-competitive technologies such as an ultra-fast computer storage technology, integrated solid state lasers for optical memory devices, and new computer interfaces that read cursive handwriting.

Opening Foreign Markets to American Goods

- o President Bush has taken an active and direct role in opening foreign markets and reducing subsidies or other barriers to trade.
- o In part due to the President's efforts to open new markets for high tech U.S. goods, the U.S. remains the world leader in the export of technological knowledge. American high tech exports have soared by two-thirds since 1987, and the the U.S. now enjoys a \$37 billion trade surplus in high tech products with the rest of the world.

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TALKING POINTS



July 29, 1992

PRESIDENT BUSH'S SUPPORT FOR THE SUPERCONDUCTING SUPER COLLIDER

- o President Bush is strongly committed to constructing the Superconducting Super Collider (SSC) -- on schedule and within budget. Once completed, the SSC will be the most powerful particle accelerator in the world.
- o Scientific discoveries from the SSC could have far-reaching applications in a new generation of safe, dependable power. Until then, new technologies used to build the SSC, as well as innovations discovered from it, will have direct commercial applications.
 - SSC research on high-power magnets will have direct applications to magnetically-levitated high speed trains. Research related to the SSC has developed a new way to treat plastic materials that cuts the cost of open-heart surgery.
- o The SSC has already had substantial economic benefits. Over 19,000 contracts have been awarded to businesses of all sizes and to universities around the country. Especially significant is the role being played by small businesses from 40 states in building the SSC.
- o The President's Funding Request: Although President Bush requested \$650 million for FY 1993 to continue SSC development, the House of Representatives recently voted to kill the program, a move that if successful, will cost thousands of jobs, and leave world-class scientists without a crucial source of commercial and scientific innovation.
- o Job creation: The President's FY 1993 budget request for the SSC will mean over 7,000 first-tier jobs throughout the country, and employment for 2,500 scientists at the SSC.
- o Clinton-Gore -- Split Personality: The Democratic candidates are of two minds on the SSC. While Governor Clinton has said that he supports the SSC, in 1991 Senator Gore voted in favor of killing it. (CQ vote 121, 7/10/91)

July 30, 1992

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TRADE ABROAD, JOBS AT HOME

"If we're to succeed economically at home, we must succeed economically abroad. And the evidence is indisputable: open markets and free trade mean new jobs for American workers and certainly growth for American companies. Over the past four decades, trade-related jobs in our country have grown three times faster than overall American job creation."

—— President Bush
April 12, 1992

President Bush believes open markets and free trade mean jobs for American workers. Jobs related to international trade have grown three times as much as those created at home. History shows that rising prosperity and rising international trade go hand in hand. If we are to succeed economically at home, we must lead economically abroad.

The President believes protectionist policies would take America back to the dark days of Smoot-Hawley, which deepened and lengthened the Great Depression of the 1930s. Democrats who advocate "balancing" trade by closing the United States market only court the perils of isolationism and cost American jobs.

- Foreign markets for American products are essential for economic prosperity at home — because every \$1 billion in American exports create 20,000 new American jobs.
- America's standard of living is the highest in the world, surpassing both Germany and Japan.
- American workers are the most productive in the world.
- America's manufactured exports increased 90 percent since 1986, compared to an average of only 25 percent growth among other industrialized OECD countries.

With President Bush, exports are up, trade deficit down.

Thanks to President Bush's leadership:

- **America regained its title as the world's leading exporter of goods and services, exceeding both Germany and Japan. In 1991, America sold \$422 billion in merchandise to foreign markets, an all-time high and \$28 billion more than the previous year.**

- Our merchandise trade deficit was slashed almost 44 percent — from \$119 billion in 1988 to \$66 billion last year.
- Exports accounted for nearly 70 percent of America's economic growth between 1987 and 1990.

Expanding trade creates jobs.

President Bush is breaking down barriers to international trade with Canada and Mexico. He wants to create hundreds of thousands of new export-related jobs through a North Atlantic Free Trade Agreement (NAFTA).

A NAFTA agreement would create one of the world's largest and richest markets — 365 million producers and consumers and more than \$6 trillion in annual output.

- Today, U.S. exports to Mexico support over 600,000 American jobs.
- Last year, more than 2 million Americans held jobs supported by \$85.1 billion in exports to Canada, which grew of 42 percent over 1987.
- America's merchandise exports in 1991 surged to an all-time high of nearly \$422 billion -- an increase of 31 percent since 1988.

President Bush believes lower tariffs mean more jobs.

Under President Bush's leadership, America is spearheading efforts to complete the Uruguay Round, history's most ambitious round in multilateral negotiations over the General Agreement on Tariffs and Trade (GATT) to strengthen and expand the global trading system by reducing trade barriers.

- Reducing tariffs and trade barriers under GATT would substantially boost American exports and could increase American output by more than \$1 trillion over the next decade — creating as many as 2 million jobs.
- America's farmers would benefit considerably from Uruguay Round anti-protectionist agricultural reforms.

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CLINTON ON TRADE

Clinton flip-flops on free-trade pact with Mexico.

Clinton endorsed U.S.-Mexico "fast track" negotiating authority, but now embraces the protectionist lead of House Democrat leader Dick Gephardt on the negotiations. [*The Washington Post*, 4/14/92]

Would Clinton trigger a trade war?

Clinton says he is no protectionist — but then comes close to sounding like he is promoting a trade war.

- "If you don't play by our rules, then we'll play by yours." [*A Plan for America's Future*, p. 13, Clinton for President]

Clinton pleaded for protectionism.

- Clinton urged President Reagan in 1985 to place quotas on imported footwear. [*The Arkansas Gazette*, 8/2/85]
- Clinton urged the Arkansas congressional delegation in 1985 to support a textile bill that was labeled "fiercely protectionist." [*The Arkansas Gazette*, 12/3/85, and *The Washington Post*, 9/30/85]

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April 29, 1992

PRESIDENT BUSH ON TRADE

"We will work to break down the walls that stop world trade. We will work to open markets everywhere....In our major trade negotiations I will continue pushing to eliminate tariffs and subsidies that damage America's farmers and workers. And we'll get more good American jobs within our own hemisphere through the North American Free Trade Agreement, and through the Enterprise for the Americas Initiative".

President George Bush
State of the Union Address
January 28, 1992

Summary

- o President Bush is committed to creating jobs and opportunity in the United States through free and fair trade with the world. His trade policy is one which will ensure that foreign markets that are open stay open, and markets that are closed are made accessible to competitive U.S. exporters and investors.
- o Exports are the engine of economic growth. Since President Bush took office, U.S. exports have surged, accounting for almost 70 percent of U.S. economic growth during 1987-90 and generating an estimated 1.8 million new jobs in export-related industries.
- o To maintain and expand America's impressive export performance, the Bush Administration is negotiating multilateral and bilateral agreements to gain further access to foreign markets and reduce foreign trade barriers.
 - President Bush is committed to achieving a strong GATT agreement that will open markets worldwide to U.S. goods and services.
 - The President also is dedicated to obtaining a strong NAFTA agreement that will ensure U.S. companies access to the markets of two of our largest trading partners, Canada and Mexico.

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- A successful NAFTA will further improve prospects for another of the President's goals, which he announced in June 1990, trade liberalization under the Enterprise for the Americas Initiative.
- At the same time that the President is working in support of free trade and opening markets abroad, he also is committed to vigorous enforcement of U.S. laws to prevent unfair trade practices in the United States.

Free and Fair Trade, not Protectionism, Will Lead U.S. Growth

- o There is no question that the United States prospers as trade barriers fall. For this reason, the President stands firm in his commitment to building jobs at home by creating opportunities for American products and services abroad.
- o U.S. goods and services still face many barriers around the world, from prohibitive licensing requirements to collusive corporate business practices to inadequate protection of our copyrighted films and patented pharmaceuticals. The President is committed to negotiations which reduce these barriers.
- o Access to foreign markets must be maintained and expanded lest exports -- this vital engine of growth -- sputter or stall. Those who advocate closing the U.S. market to balance our trade are courting isolationism and economic decline, not growth. Protectionist policies would take us back to the dark days of Smoot-Hawley, which worsened the Great Depression of the 1930s. In the broad sweep of history, rising prosperity and rising international trade have gone hand in hand. More than ever, we need the billions of dollars a year of economic stimulus that an open world trading system and access to foreign markets provide.

Growth in U.S. Exports

- o President Bush's efforts to open world markets and promote U.S. exports have strengthened America's role as leader of the world economy, increased American jobs, and revitalized the American economy.

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U.S. Leads World in Exports:

- o In 1991, America regained its title as the world's leading exporter of goods, ahead of Germany and Japan. U.S. merchandise exports reached \$422 billion, while Germany's exports fell 3.4 percent to \$378.3 billion.

Export Growth:

- o U.S. merchandise exports in 1991 surged to an all-time high of nearly \$422 billion, a \$28 billion increase from 1990's record high of \$394 billion. Since 1988, merchandise exports have grown \$100 billion, an increase of 31 percent.
- o Export growth has not been confined to a single sector. Since 1988, exports of consumer goods are up 55 percent; exports of capital goods are up 40 percent; and exports of industrial supplies are up 27 percent.
- o U.S. fiber, textile, and apparel exports have grown nearly 10 percent in the past year, from \$11 billion in 1990 to \$12 billion in 1991. Exports of apparel alone increased nearly 30 percent during this same period.
- o Exports of U.S. advanced technology products have increased over 20 percent between 1989 and 1991, from \$83.5 to \$99.9 billion.

Job Creation:

- o The dramatic increase in merchandise exports has created U.S. jobs and strengthened the U.S. economy.
- o Export growth accounted for more than 25 percent of the growth in private industry jobs in the United States between 1986 and 1990.
- o Over 69 percent of U.S. economic growth between 1988 and 1990 has come from expanding merchandise exports to foreign markets.

Trade Deficit:

- o Since President Bush took office, the U.S. trade deficit has declined dramatically. Between 1988 and 1991, the merchandise trade deficit fell almost 44 percent, from \$119 billion to \$66 billion.

- o Even though we still run a trade deficit with Japan, the U.S. had a trade surplus with the EC of \$16.7 billion in 1991, a significant turnaround from the trade deficit with the EC a few years ago.
- o The February 1992 trade deficit of \$3.4 billion is the lowest monthly deficit in nine years.

Reducing Barriers and Opening Markets -- Accomplishments

- o The Bush Administration has used U.S. trade laws and other avenues to open markets abroad and to stop numerous unfair trade practices. Some examples follow:

U.S.-Canada Free Trade Agreement:

- o The President has overseen the successful implementation of the U.S.-Canada Free Trade Agreement. The lowering of tariffs and trade barriers between the United States and Canada has substantially increased business for U.S. industries.
- o Since implementation of the U.S.-Canada Free Trade Agreement on January 1, 1989, U.S. merchandise exports to Canada have risen by 19 percent to \$85 billion in 1991.

Japan:

- o One of the President's top trade priorities is to increase access of American exports and investors to Japan, the world's second largest industrial economy. The U.S. merchandise trade deficit with Japan has fallen from \$52 billion in 1988 to \$43 billion in 1991. Since President Bush took office in 1989, the Administration and Japan have concluded trade agreements on satellites, supercomputers, wood products, third party radio, cellular telephones, telecommunications terminal equipment, amorphous metals, international value-added network services, computers, paper, semiconductors, construction services.
- o Between 1988 and 1991, total U.S. merchandise exports to Japan grew over 28 percent, from \$37.7 to \$48.1 billion. The growth in export sales of manufactured products has been even more dramatic -- up 42 percent between 1988 and 1991, from \$21.7 to \$30.8 billion.

- o U.S. advanced technology exports to Japan have skyrocketed in the past five years. Between 1985 and 1990, telecommunications exports have climbed 414 percent, semiconductor exports have increased 334 percent, and exports of medical instruments have increased 156 percent.
- o The President's trip to Japan in January 1992 resulted in a number of important agreements and commitments from the Japanese, including significant market-opening measures in glass and auto parts, and government-to-government agreements covering the computer and paper sectors. The President also resolved 49 issues pertaining to standards, certifications, and testing -- all issues cited by U.S. companies as barriers to doing business in Japan.
- o As a result of President Bush's trip, Japanese purchases of U.S. auto parts are expected to more than double in the next two years, from \$9 billion to about \$19 billion by 1994. Significantly, Japanese companies manufacturing in the U.S. pledged to increase the local content of their vehicles to 70% by 1994.
- o President Bush is committed to building upon the commitments made by Japan to strengthen and expand the Structural Impediments Initiative (SII), which provides a comprehensive approach to the opening of the Japanese market.

Eastern Europe:

- o The Bush Administration and Eastern European nations have concluded trade, investment, and intellectual property agreements which will help stabilize the economies of these emerging democracies and promote economic opportunities for U.S. exporters and investors.
- o Since 1988, U.S. merchandise exports to Eastern Europe (including the former USSR) have increased 35 percent, from under \$4 billion to almost \$5 billion.
- o In order to expand and protect U.S. investments in these markets, President Bush has signed bilateral investment treaties (BITs) with Czechoslovakia and Poland.

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Initiatives in Support of Free Trade

- o To maintain and expand America's impressive export performance, the Bush Administration has for the past three years deployed a two-pronged trade strategy to open markets, by:
 - Working to achieve a successful conclusion of the Uruguay Round of global trade talks, held under the auspices of the General Agreement on Tariffs and Trade (GATT); and
 - Launching broad-based, market-opening negotiations with our key trading partners.

General Agreement on Tariffs and Trade (GATT):

- o In the current Uruguay Round of talks, U.S. negotiators are working on behalf of American businesses and farmers to improve the international business environment for agricultural products, textiles, trade in services and foreign investment, as well as to achieve greater protection for intellectual property.
- o A successful GATT negotiation will increase U.S. GNP by over \$1 trillion over the next ten years.

North American Free Trade Agreement (NAFTA):

- o President Bush initiated trilateral negotiations with Canada, our largest trading partner, and Mexico, our third largest trading partner, to establish one of the biggest and richest markets in the world with a combined 365 million producers and consumers, and over \$6 trillion in annual output. A NAFTA will reduce existing barriers to open trade and create hundreds of thousands of new export-related US jobs.
- o A successful NAFTA will allow American exporters to build on their earlier successes in Canada and Mexico. U.S. merchandise exports to Mexico and Canada have more than doubled since 1980, rising from \$51 to \$118 billion.
- o Already, we have seen the benefits of liberalizing trade with Mexico. Since 1986, when Mexico joined the GATT and reduced its tariffs from as high as 100 percent to a high of 20 percent, U.S. merchandise exports to Mexico have almost tripled from \$12 to \$33 billion. U.S. exports to Mexico

support a large and growing number of U.S. jobs, reaching 538,000 as recently as 1990. The U.S. will profit even more from further tariff reductions under a NAFTA.

- o A NAFTA will assist Mexico's efforts to raise its environmental and labor standards.
- o To ensure U.S. industries are given sufficient time to adjust to the market conditions of a new free trade area, a NAFTA will contain a phase-out period for the reduction of certain U.S. tariffs and trade barriers.

Enterprise for the Americas Initiative (EAI):

- o In June 1990, the President announced his vision of a "Hemispheric Free Trade Zone" stretching from Alaska to Argentina, bringing the Americas together through trade and prosperity. Since then, the Bush Administration has concluded bilateral and multilateral trade and investment framework agreements with 31 of our neighbors.
- o The EAI is designed to encourage the dramatic transformation of Latin America and the Caribbean toward market oriented economic reform, free trade, and a greater role for private enterprise.
- o A successful EAI will provide greater access to foreign markets for American manufacturers and farmers, provide American businesses with increased trade and investment opportunities, and promote environmental protection.
- o Between 1986 and 1990, total U.S. merchandise exports to the region (excluding Mexico) have grown from \$31 to \$53 billion.
- o On November 14, 1991, the Bush Administration signed a Bilateral Investment Treaty with Argentina (the first that the U.S. has concluded with a South American country) that will serve as a model for the rest of Latin America. Argentina committed to removing restrictions on investment, and to substantially improving legal protections for the current \$3 billion (and future) U.S. investments in Argentina.

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April 29, 1992

PRESIDENT BUSH ON THE NORTH AMERICAN FREE TRADE AGREEMENT

"The United States will continue to lead the world toward a system of free trade and open markets... Trade means economic growth. Trade means jobs for all Americans."

President George Bush
May 1, 1991

"We have before us the opportunity to expand growth and prosperity for all Americans... [the] agreement with Mexico is in our fundamental interest."

President George Bush
March 5, 1991

Summary

- o President Bush is committed to obtaining a North American Free Trade Agreement (NAFTA) that will increase trade and create jobs in the U.S., lower prices for American consumers, and stimulate the economies of the United States, Canada and Mexico.
- o A NAFTA will mean greater access to the dynamic and growing Mexican market through the removal of tariffs and import permits, a more open services and investment regime, and the protection of intellectual property rights. A NAFTA will place the United States in the middle of a North American market of over 360 million consumers and an annual output of \$6 trillion.

A NAFTA Will Increase U.S. Exports and Create U.S. Jobs

The U.S.-Canada Free Trade Agreement Serves as a Model for NAFTA Negotiations:

- o President Bush has overseen the successful implementation of the U.S.-Canada Free Trade Agreement (CFTA). The free trade agreement between the United States and Canada has substantially increased exports for U.S. industries, attracted investment and jobs to the United States and Canada, and facilitated business between the two countries.

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- o Trade has grown dramatically since the inception of the agreement. Merchandise exports to Canada totalled \$85.1 billion in 1991, a gain of 42 percent over 1987. American workers who can attribute their jobs directly to trade with Canada are over two million strong. 28,000 jobs were created by trade growth with Canada in 1991 alone.
- o The CFTA has facilitated all manner of business exchange between the two countries. For example, as a result of the CFTA, more American companies are eligible for, and winning, Canadian government contracts; businesses have better access to customers north of the border; and American service providers have a guaranteed access to the Canadian market.
- o The advantages of the CFTA will be reinforced and expanded under the NAFTA.

A NAFTA Will Increase U.S. Exports:

- o A NAFTA will ensure U.S. access to the growing Mexican and Canadian markets. The citizens of Mexico today import more American goods per capita than the citizens of the European Community. With its population of 88 million (almost three times larger than Canada's) expected to grow to 100 million by the year 2000, an economically surging Mexico could become an increasingly important market for the United States.
- o U.S. exports to Mexico are growing more than twice as fast as U.S. merchandise imports from Mexico. Since 1987, exports have grown at an average annual rate of 23 percent; merchandise imports have grown at 11 percent. In 1991, the U.S. ran a trade surplus with Mexico for the first time in a decade.
- o Since Mexico started to liberalize trade in 1986, U.S. merchandise exports to Mexico have increased more than 169 percent -- from \$12.4 billion in 1986 to \$33.3 billion in 1991.
- o Mexico purchases two-thirds of all its imports from the U.S., and for each dollar of Mexican GNP growth, fifteen cents is spent on U.S. goods. Increased production in Mexico and Canada will enable these countries to earn U.S. dollars with which they can buy U.S. exports.

A NAFTA Will Increase U.S. Jobs:

- o A NAFTA will strengthen the Mexican economy, which in turn will increase Mexico's demand for U.S. goods. This increased demand for U.S. products and services will create American jobs.
- o Merchandise exports to Mexico have increased by more than 169 percent, generating over 300,000 new American jobs. The Commerce Department estimates that 650,000 American jobs are related to U.S. exports to Mexico.
- o Nearly 20 formal economic studies have concluded that a NAFTA will be favorable to overall U.S. employment. Many American manufacturers have already noted that joint production arrangements with Mexico have saved U.S. jobs and created new ones.

A NAFTA Will Increase U.S. Competitiveness

- o A NAFTA will benefit U.S. producers and workers through increased sales opportunities, improved operating efficiencies, and strengthened competitiveness in the world economy.
- o The U.S.-Mexican joint ventures and cooperative production efforts promoted by a NAFTA will give these producers a comparative advantage by combining the U.S. advantage in technology, research and innovative development with Mexican production operations. These U.S. producers thus become more competitive in the world economy.

A NAFTA Will Include Transition and Safeguard Provisions

Transition Measures:

- o In order to avoid dislocations to industries and workers producing goods that are import-sensitive, a NAFTA will provide a gradual schedule for the elimination of tariffs and non-tariff barriers on such products. In isolated cases where the lengthy phaseout period fails to prevent injurious increases in imports, the Administration will retain the ability to reimpose duties and other restrictions.
- o In determining import sensitivity, the Administration will rely heavily on the advice of the U.S. International Trade Commission, the Congress, and the private sector.

Strict Rules of Origin:

- o The Bush Administration will negotiate effective rules of origin to ensure that the benefits of a NAFTA do not flow to third countries that establish "screw-driver" operations exporting their products to the U.S. with only minimal assembly in Mexico or Canada.

Increased U.S.-Mexico Cooperation on Labor

- o The U.S. Secretary of Labor and her counterpart from Mexico signed a Memorandum of Understanding in May, 1991 which provides for cooperation and joint action on a number of labor issues which are being implemented in parallel with the NAFTA negotiations.
- o These issues include health and safety measures; work conditions, including labor standards and enforcement; labor conflicts; labor statistics; and other areas of concern to the United States and Mexico.

A NAFTA Will Improve Environmental Standards in Mexico

- o A NAFTA will assist Mexico in meeting environmental standards closer to those adhered to by the U.S. and Canada. As President Salinas has made clear, Mexico has no interest in becoming a pollution haven for U.S. companies.
- o In parallel with the NAFTA negotiations, President Bush is pursuing an ambitious program of cooperation on a wide range of environmental matters, including the design and implementation of an integrated border environmental plan.
- o The Bush Administration has committed \$143 million in the current fiscal year for implementation of the border environmental plan, and a further \$241 million is in the President's proposed budget for Fiscal Year 1993. The Mexican government has budgeted \$460 million for the 1992-1994 phase of the plan.
- o Mexico's comprehensive environmental law of 1988, which is based on U.S. law and experience, is a solid foundation for tackling its environmental problems. All new investments are being held to these higher legal standards, and an environmental impact assessment is required.
- o Standards for imported food items will not be lowered.

A NAFTA Will Enhance Competitiveness of Import-Sensitive Sectors

Steel:

- o Mexico's demand for steel products is expected to increase dramatically in the coming decades as the Mexican economy grows. Mexican steel producers, however, are not expected to have sufficient capacity to meet domestic demand for a number of products. A NAFTA will enable U.S. steelmakers to take advantage of this surging market by lowering Mexican tariffs on U.S. steel products, which previously have been cited by U.S. steelmakers as the greatest impediment to increasing exports to Mexico. U.S. steel exports to Mexico totaled nearly \$800 million in 1991 and will expand further as the Mexican economy grows and tariff rates are reduced.
- o The American Iron and Steel Institute and the Steel Manufacturers Association have endorsed negotiation of a NAFTA.
- o The United States has maintained a large trade surplus with Mexico in steel products. U.S. exports of steel products to Mexico increased 64% in 1991 -- the U.S. exported three times as much steel to Mexico as it imported in 1991.

Textiles and Apparel:

- o Since Mexico began to liberalize trade in 1986, U.S. textile and apparel exports to Mexico have increased at an average annual rate of 25 percent, climbing to approximately \$1 billion in 1990. A NAFTA will further reduce trade barriers and enable U.S. exports to Mexico to expand as the Mexican population grows and their standard of living increases.
- o For two of the last three years, the United States has maintained a surplus with Mexico in textile and apparel products. This trend is expected to improve further as trade barriers come down.
- o The Bush Administration will seek to negotiate a NAFTA that eliminates Mexican and Canadian tariffs and non-tariff barriers; phases out U.S. barriers gradually over a sufficient transition period so that U.S. companies and workers will have time to adjust; establishes strict rules of origin and appropriate safeguards; and contains measures to prevent illegal transshipment and fraud.

Autos and Auto Parts:

- o A NAFTA will increase exports of U.S. motor vehicles to Mexico by removing restrictive Mexican trade and investment barriers.
- o A strong rule of origin will ensure that Mexico and Canada are not used as export platforms to the United States by third-country producers.
- o A NAFTA would not drain U.S. jobs and investment because lower labor costs in Mexico are offset by costs associated with Mexico's underdeveloped infrastructure and lower productivity. Labor costs are a decreasing component of automotive manufacturing cost.

Other Advantages

- o A NAFTA will reduce incentives for illegal immigration into the United States by increasing Mexican wages and production and growth.
- o A NAFTA will send a strong and encouraging signal to other countries in Latin and South America, resulting in new trade relationships that will open new markets for U.S. goods.

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April 29, 1992

PRESIDENT BUSH ON THE URUGUAY ROUND NEGOTIATIONS OF THE GATT

"The Uruguay Round offers a vital opportunity to eliminate barriers to our goods, investment, services, and ideas."

President George Bush
May 1, 1991

Summary

- o Under President Bush's leadership, the United States is spearheading efforts to complete the Uruguay Round of multilateral trade negotiations, the most ambitious round in the history of the General Agreement on Tariffs and Trade (GATT). The 108 nation members of GATT represent over 90 percent of world trade. The objective of the Uruguay Round negotiations is to strengthen and expand the global trading system by reducing trade barriers.
- o The Bush Administration's goals in the Round include sharply reducing trade barriers worldwide; extending GATT rules to services, investment, and intellectual property; and curbing trade subsidies that undercut American farm and industrial exports, while not reducing the effectiveness of U.S. laws against unfair trade.
- o President Bush is committed to obtaining a GATT agreement that will benefit American workers, farmers, and consumers; he will not accept an inadequate agreement just for the sake of an agreement.

A Sound GATT Agreement Would Benefit the U.S. Economy

- o An open multilateral trading system is the best guarantee that U.S. export opportunities will continue to expand into the next century. The Uruguay Round is the most important initiative to expand these opportunities. A successful Uruguay Round would provide substantial benefits to the U.S. economy, including:

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- Lower tariff and non-tariff barriers to manufactured products and other goods, which would substantially boost U.S. exports and could increase U.S. output by over \$1 trillion over the next ten years;
- Rules to protect the intellectual property of U.S. entrepreneurs to reduce the \$60 billion lost each year through theft and counterfeiting;
- New markets for U.S. services firms, which export over \$140 billion annually and generate 90 percent of new U.S. jobs;
- Fair competition and open markets in agriculture to create new opportunities for American farmers, who lead the world with more than \$40 billion in annual exports;
- Full participation of developing countries in the global trading system, which could increase U.S. exports by \$200 billion between now and the year 2000; and
- Effective rules on dispute settlement, anti-dumping, subsidies, and import safeguards, to expand U.S. access to foreign markets and ensure fair trade in the U.S. market.

Agriculture

- o One of President Bush's key objectives is to obtain a GATT agreement that contains major agricultural policy reforms, including commitments by GATT member nations to reduce trade-distorting internal support to farmers, open markets to imports, and cut export subsidies.
- o Agricultural reforms in the Uruguay Round would mark an historic departure from the costly protectionist measures that have flourished in that sector, largely outside GATT disciplines. These reforms would have significant benefits for farmers, taxpayers, and consumers in the United States and the rest of the world.
- o These reforms have been opposed by the European Community, which refuses to reduce subsidies that give EC farmers an unfair advantage in the world market. President Bush, supported by other GATT members, has demanded that any final GATT agreement include a commitment by all parties including the EC to drastically reduce these subsidies and to require their farmers to compete in the world market.

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Services

- o President Bush has insisted that global trade rules for services be established to expand access to global markets for U.S. services providers. President Bush is confident that U.S. services, such as banking, insurance, telecommunications, motion pictures, tourism, and construction, can out-compete their foreign counterparts if only they are allowed to compete on a level playing field.

-- The United States already leads the world with \$140 billion in services exports annually.

Intellectual Property Rules

- o Patented, copyrighted, and trademarked products are a growing source of foreign earnings to the U.S. economy. President Bush has pressed for a GATT agreement that will afford the highest level of protection to copyrights, patents, and other forms of intellectual property held by U.S. firms. The President also has insisted that the agreement must include strong sanctions for those countries that condone the piracy, infringement or violation of these rights.
- o The President's efforts to protect American know-how have already paid off. For example, in the most recent draft of the proposed agreement, computer software would be protected as literary work, the highest form of copyright protection allowed.

Textile and Apparel

- o The current draft GATT agreement calls for removal of the quota system established by the 1974 Multi-Fiber Arrangement (MFA). One of President Bush's main objectives in the GATT negotiations has been to ensure that any such quota removal be conducted on a smooth and gradual basis in order to minimize the disruption to the U.S. textile and apparel industry.
- o The President's call for a sensible, responsible phaseout of the quotas has prevailed. The proposed draft agreement calls for a gradual phaseout of the MFA, which will allow the U.S. textile industry time to adjust to import competition and avoid severe disruption, appropriate safeguard procedures, improved procedures to deal with circumvention of quotas and important market-opening measures for U.S. textile and apparel exporters.

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BACKGROUNDER

Issues Office

BUSH
QUAYLE
92

August 3, 1992

THE BENEFITS OF FREE TRADE IN NORTH AMERICA

President Bush had the vision to conceive a North American Free Trade Agreement (NAFTA) -- a market that will extend from the Yukon to the Yucatan. The United States will become the centerpiece of a \$6 trillion market with 360 million consumers.

- o Overall Benefits: By tearing down Mexico's remaining tariff barriers, NAFTA will increase U.S. exports and jobs. Increased trade will give Mexicans the income to buy even more American goods. NAFTA will also ease immigration pressures in the Southwest United States, and it will generate new resources to improve the environment.
- o Expanding Exports: Mexico, the United States' fastest-growing export market, began reducing trade barriers in 1986. Since then, U.S. exports to Mexico have grown on average, by 23 percent annually. Exports to Mexico in 1992 could reach \$44 billion, giving the U.S. a trade surplus with Mexico of over \$8 billion.
 - Mexico is now the United States' second-largest market for manufactured goods, having recently surpassed Japan.
- o A NAFTA will create American jobs: The President is pushing for a NAFTA to create new American jobs. By 1995, increased exports due to a NAFTA will have created 175,000 net new jobs. Exports to Mexico already support over 600,000 U.S. jobs. The Institute for International Economics projects that with a NAFTA, by 1995 over one million U.S. jobs could be tied to exports to Mexico.
 - Even states like Missouri, where NAFTA's leading critic in Congress -- Richard Gephardt -- comes from, would gain: Missouri now has 170,000 export-related jobs, 55,000 of which depend upon exports to Canada and Mexico.
 - The jobs created by a NAFTA will pay good wages: export-related jobs pay 17% more than the average U.S. job.
- o U.S. companies will not relocate en masse to Mexico: The fear that a NAFTA will result in U.S. firms relocating en masse to Mexico to take advantage of lower wages is a red-herring. If wages were the only determinant of plant location, many impoverished countries would be world-class economic powers by now.
 - Businesses base investment decisions on a variety of factors, including productivity, and U.S. workers remain six to nine times more productive than their Mexican counterparts.

A NAFTA will provide new income for import-sensitive American industries: The President knows that a NAFTA will benefit industries and working Americans throughout the U.S.

- Steel: U.S. exports of steel products to Mexico increased 64% in 1991. The American Iron and Steel Institute and the Steel Manufacturers Association have endorsed negotiation of a NAFTA, recognizing that it will lead to even more exports.
- Textile and apparel exports to Mexico have increased at an average annual rate of 25 percent since 1986, reaching almost \$1 billion in 1990.
- Automakers will be able to export more cars to Mexico as a NAFTA ends restrictive Mexican trade and investment barriers.
- Agricultural products exports to Mexico rose to a record \$2.9 billion in 1991, double the export level in 1986 when Mexico began cutting trade barriers. Under a NAFTA agricultural markets will grow even more.

o A NAFTA will reduce illegal immigration: Because a NAFTA will provide new job opportunities for Mexican workers (as well as new income to buy American products), a NAFTA will cut the incentive to immigrate illegally into the United States.

o A NAFTA will have safeguards to protect American workers: The President is committed to a NAFTA that gives sensitive industrial sectors time to adjust to full competition. Tariffs will be phased-out gradually. A NAFTA safeguard mechanism will protect U.S. firms against import surges.

- The President will ensure that workers adversely affected by a NAFTA receive assistance from a well-funded worker adjustment program. The President has doubled funding for the Economic Dislocation Worker Adjustment Assistance Act to over \$500 million, and reaffirmed on May 1st his commitment to adequately fund worker adjustment assistance.

o A NAFTA will enhance environmental protection: Unlike environmental alarmists, the President understands that responsible development will improve resources to protect the environment along the U.S.-Mexico border, all the while creating new American jobs. A NAFTA will also sustain the United States' right to enforce existing environmental standards and encourage all NAFTA parties to strengthen standards.

- The President committed \$143 million this year alone for implementation of the border environmental plan. Also, the U.S. is seeking language to encourage NAFTA parties to respect and enhance the enforcement of environmental laws.

THE WHITE HOUSE

Office of the Press Secretary

March 18, 1992

FACT SHEET ON TRANSPORTATION REFORMS

As part of the President's 90-day regulatory relief initiative, the Administration today announced several actions to reduce the economic burdens created by federal regulation of automobile, truck, rail, and ocean transportation.

Federal regulation in the transportation sector can have at least three harmful effects on American consumers and workers. First, regulation can increase costs borne directly by consumers -- for example, the costs of cars and airline tickets. Second, because transportation generally accounts for 20 percent of the delivered cost of manufactured products, regulation acts as a "hidden tax" on all consumer goods. Third, unnecessary regulation makes all American goods and services less competitive in the world marketplace, and thereby leads to lower wages and employment.

By reducing regulatory burdens, the following actions will help create jobs, make American goods and services more competitive abroad, and reduce prices to consumers.

1. Reducing the Environmental Costs of Automobile Transportation. One cost-effective way to reduce pollution in many urban areas is to retire older cars, which are the dirtiest and least efficient on the road today.

- o Within the next two weeks, EPA will issue a guidance document encouraging states to adopt programs that allow businesses to satisfy the requirements of the Clean Air Act by purchasing and retiring old, high-polluting vehicles. In addition to cleaning up the environment, car scrappage programs will also reduce the regulatory burden on U.S. businesses and reduce reliance on imported oil.
- o The EPA "cash for clunkers" program is just one example of innovative, market-based programs that allow trading of emission reduction credits between "stationary sources" (like factories and power plants) and "mobile sources" (like cars). EPA will develop more general guidelines to clarify that businesses and state and local governments may satisfy Clean Air Act requirements by trading emissions reductions between mobile and stationary sources. Such trading will further reduce compliance costs, thereby promoting jobs,

economic growth, and environmental quality.

2. Reducing the Costs of Truck and Rail Transportation.

Because most consumer products and manufacturing materials are shipped by rail or truck, consumers and workers inevitably suffer when the government imposes excessive regulatory costs on truck and rail transporters. The Interstate Commerce Commission (ICC) today announced several actions to amend or repeal existing regulations that impose unnecessary regulatory burdens, or that unduly interfere with the ability of some 52,000 motor and rail carriers to negotiate and implement mutually beneficial transportation arrangements with their customers. Specifically, the ICC announced that it will:

- o initiate a proceeding to expand unregulated "commercial zones," and thereby further deregulate trucking in large metropolitan areas;
- o initiate a proceeding to accelerate elimination of the requirement that motor carriers obtain a registration stamp for each of their vehicles from each state in which they operate;
- o initiate a proceeding to abolish the requirement that motor carriers keep a unique set of "regulatory" accounting books in addition to standard financial and tax records;
- o conclude a rulemaking that will further deregulate motor contract carriage by repealing the regulatory definition of "contract" and allow carriers to rely instead upon the simpler definition contained in the statute;
- o initiate a proceeding to streamline and simplify motor carrier tariff regulations, easing the burden on carriers for filing negotiated rates in lawful tariffs and thereby making it easier for shippers to protect themselves from future undercharge claims;
- o conclude a proceeding to exempt railroads and their customers from current regulations requiring them to file contracts for private rail carriage;
- o conclude a proceeding to allow railroads to establish market-based rates for the use of each other's rail cars;
- o propose a rule to permit rail carriers to establish market-based incentives to ensure that rail equipment is not unreasonably detained at shippers' facilities;
- o conclude a proceeding to exempt railroads from the Elkins Act, thereby permitting them to engage in business development activities;

- o propose simplified rules governing consolidation, merger, and control cases that involve no more than one major, Class I railroad, thereby reducing paperwork and shortening decision time;
- o complete a rulemaking to treat the Postal Service like other shippers by relieving it of the burden of filing with the Commission copies of its motor carriage and rail contracts.

When fully implemented, these reforms have the potential to reduce the total costs of truck and rail transportation by more than \$1 billion annually.

3. Reducing the Costs of Ocean Shipping. Importers and exporters spend more than \$30 billion per year to transport U.S. goods to foreign markets and to bring foreign goods to U.S. consumers. The cost of ocean shipping adds a significant percentage to the delivered cost of goods. Various federal agencies today announced several steps to reduce the costs of ocean shipping:

- o Current Federal Maritime Commission (FMC) rules do not permit shippers to amend service contracts, even with the consent of the ocean carrier. Those rules also do not permit shippers to combine their worldwide shipping contracts into a single contract with an ocean carrier. To correct these problems, the FMC will initiate two rulemakings to allow amendment of service contracts, and to allow service contracts of worldwide scope.
- o The Coast Guard will initiate a rulemaking to establish streamlined record-keeping practices for vessels subject to Coast Guard jurisdiction.
- o The Maritime Administration (MARAD) will complete a rulemaking to eliminate unnecessary oversight of certain mortgage and sales transactions and encourage investment by reducing the costs of financing transactions.

FACT SHEET

Issues Office



July 15, 1992

PRESIDENT BUSH ON VETERANS

"I renew my pledge today...to do all that's humanly possible to account for our comrades that are missing from the past wars. As long as I am President, we will never forget those POWs and MIAs. And another pledge -- as we move to a post-Cold War defense force, we cannot forget to take care of our military and civilian men and women who worked and fought so hard to ensure that freedom and democracy would prevail. For them, we will continue to work together to make sure that American veterans receive quality health care that is second to none."

-- President George Bush
Veterans Day 1991

Summary

- o From his first days in office President Bush has demonstrated a personal commitment to addressing concerns of veterans. In the 1988 primary campaign he declared his dedication to bringing veterans a stronger voice in government. As President he appointed to his Cabinet our Nation's first Secretary of Veterans Affairs.
- o A veteran of World War II, President Bush understands the contributions to freedom as well as the sacrifices made by the men and women who have served this Nation's Armed Forces. Accordingly, he is committed to maintaining veterans' affairs as a top priority.
- o The President's budgetary commitment to the Department has increased every year since he took office. He has devoted the necessary funding and resources to assure that veterans receive the recognition, assistance, financial stability, and benefits they earned through service.

Proven Leadership

- o As a former Navy aviator, President Bush gained a first-hand understanding of the sacrifices that America's fighting men and women may have to make in combat. Fifty years ago President Bush became the Nation's youngest naval aviator when he postponed college to volunteer for military service at the height of World War II. In 1944, while on a mission over Chichi Jima, Lt. Bush's Avenger torpedo bomber was shot down by Japanese anti-aircraft fire. Nonetheless, he completed his mission and was awarded the Distinguished Flying Cross for bravery. George Bush flew 58 combat missions and made more than 100 carrier landings.
- o Throughout his military service, President Bush witnessed the price that must sometimes be paid to preserve peace and freedom for our Nation and the world. No President commits American troops lightly, and perhaps no one is better suited to make such decisions than one who has served in combat. President Bush knows first-hand the sacrifices that may be required by his decisions and understands the degree of national commitment that must be behind our troops if they are sent in harm's way. George Bush also recognizes that the Nation's commitment to our men and women in uniform must not end when the fighting stops.

Commitment to Quality Health Care for Veterans

- o President Bush has taken an active role in promoting quality health care for all veterans through both increased funding and creation of innovative programs. These programs include:
 - Proposed increases of nearly \$1 billion in fiscal years 1991, 1992, and 1993 for the provision of direct health care to veterans.
 - The establishment of new nursing homes and domiciliaries, as well as noninstitutional programs such as adult day health care and hospital-based home care.
 - The establishment of new outpatient, community-based, and outreach clinics, bringing to 350 the total of such clinics throughout the country.
 - An expanded number of Geriatric Research, Education, and Clinical Centers, bringing to 15 the total number of such centers serving our older veterans.

- o The Bush Administration has developed a comprehensive plan for construction of new hospitals and renovation of existing facilities to ensure veterans greater access to the highest quality health care. By the end of FY 1993, 65 major construction projects will have been started during the Bush Administration.

The Importance of the Veterans Health Care System

- o President Bush understands the importance of veterans hospitals and is committed to maintaining the integrity of quality care provided for our veterans. The veterans' health care system plays a vital role throughout the U.S.:
 - More than half the Nation's practicing physicians have received at least a portion of their training in veterans' hospitals. Each year, veterans' hospitals train approximately 100,000 health care professionals.
 - Veterans' hospitals are affiliated with more than 100 medical schools across the country.
 - Veterans' hospitals account for one in every 16 hospital beds in our Nation.
 - Veterans hospitals are leaders in geriatric care, treatment of post-traumatic stress disorder, spinal-cord injury care and research, and they have also had a considerable impact in many other fields.

Accounting for POWs and MIAs

- o As a matter of highest priority, the President has continued to commit the resources of the United States Government to return any American who still may be held captive, to do all that is humanly possible to account for those still missing, and to repatriate the remains of those who died while serving our country in foreign lands.
- o In February 1989, the President reappointed former Chairman of the Joint Chiefs of Staff General John W. Vessey, Jr., as his special emissary to Hanoi for POW/MIA Affairs to continue the policies and priorities established during the Reagan/Bush Administration. Specific results on accounting for America's POW/MIAs from the Vietnam War are required before further U.S. steps to lift the economic embargo on Vietnam can occur. This policy ensures that the President's POW/MIA objectives are protected and in the forefront of any improvement in relations with Vietnam.

- o In January 1992, the United States and Russia established a joint commission to investigate the cases of Americans unaccounted for from World War II, the Korean War, the Vietnam War, and the Cold War period who may have been held in the former Soviet Union. President Bush selected former Ambassador to the Soviet Union Malcolm Toon to chair the U.S. delegation to the Joint U.S.-Russia Commission which began its investigations in late March 1992.
- o Following recent statements by Russian President Boris Yeltsin that American POWs/MIAs may have been held in the former Soviet Union, President Bush immediately sent Ambassador Toon to Moscow to examine newly opened Soviet archives. The President is determined that the truth be known, and any Americans who may have been held by the former Soviet government must be accounted for as fully as possible.
- o In order to publicly reinforce America's commitment to our POWs and MIAs, the President has signed legislation requiring that the POW/MIA flag be displayed at the Departments of State, Defense, and Veterans Affairs, at other Federal Buildings including the White House, at the Vietnam Veterans' Memorial, and in national cemeteries on annual National POW/MIA Recognition Days.

Operation Desert Storm:

- o A total of 49 military personnel were listed as missing in action during the war. Before the war began, the Bush Administration established a Joint Rescue Coordination Center to place highest priority on rapidly locating our missing. Twenty-three American POWs returned at the conclusion of hostilities. Remains of 13 U.S. personnel were recovered and returned to their families. The remains of 13 additional servicemen have not been located, of whom 12 were reportedly killed over water, making recovery highly unlikely.

Vietnam:

- o The Bush Administration has continued to work diligently to account for American POW/MIAs from the Vietnam War. Since January 1989, the remains of 57 servicemen have been recovered from Vietnam and 20 from Laos.
- o President Bush has established POW/MIA offices in Vietnam, Laos, and Cambodia charged with the sole duty of accounting as fully as possible for America's POW/MIAs. The offices are engaged in field investigations, surveys, remains recovery, and the investigation of live-sighting reports.

Veterans -- page 5

- o The President is firmly committed to resolving the many unanswered questions about the fate of Americans still missing in Southeast Asia. He has fully committed the resources of the Defense Department and his Administration to returning any Americans who may still be held against their will, achieving the fullest possible accounting for the missing, and repatriating all remains of our veterans who died serving our Nation during the Vietnam War.

Korea:

- o Bush Administration officials have established a dialogue between the U.S. and North Korea. Increased priority has been given to obtaining information on over 8,000 Americans (389 of which were listed as POWs) through bilateral channels and through the UN Command Military Armistice Commission. Since 1954, 46 remains reported to be those of Americans unaccounted for from the Korean War have been returned to the U.S. from North Korea. All of these remains have been returned since April of this year. The U.S. continues to pursue the issue of missing U.S., Republic of Korea, and UN servicemen with the North Koreans through discussions on the establishment of a multilateral commission. The Administration is committed to do everything possible to account for our missing servicemen from the Korean Conflict.

World War II:

- o Approximately 78,750 Americans were unaccounted for after World War II. The Bush Administration has continued to support every effort to recover the remains of those servicemen. As examples:
 - Since 1979 and as recently as July 1990, more than 110 sets of remains have been recovered from Papua New Guinea and returned to Hawaii for identification.
 - Teams have also conducted excavations on Guam, Okinawa, the Solomon Islands, Wake Island, and many other battle sites.

Education, Job Training, and Benefits for Veterans

- o The President signed into law a comprehensive benefits package for veterans of the Persian Gulf War, including readjustment counseling, dental care, guaranteed home loans, insurance programs, and the extension of benefits to their survivors.

- o In addition to existing government benefits, the Bush Administration implemented a series of new employment and educational programs designed to assist veterans. These include:
 - An expansion and strengthening of Veteran's Preference, a foundation which ensures that veterans receive priority for hiring within the Federal government.
 - An expansion of the Transition Assistance and Disabled Transition Assistance Programs that has resulted in increased cooperation between the Department of Veterans Affairs and the Department of Labor in helping newly discharged veterans find employment.
 - An expansion of previously enacted educational benefits to include vocational, technical, correspondence, and apprenticeship training for reservists.
 - The establishment of a new health care education program for service members in the Ready Reserve.
 - An increase in the Montgomery G.I. Bill Active Duty basic education and training rates for Persian Gulf veterans from October 1991 through September 1993.
- o The Bush Administration is committed to making burial in a national cemetery a realistic option for all veterans and plans to:
 - Construct 10 additional national cemeteries in areas of the country that are currently underserved.
 - Acquire land through purchase or donation to increase burial capacity of existing cemeteries scheduled to close by 2020.
 - Make greater use of the cost-sharing opportunities through grants for State veterans cemeteries.

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FACT SHEET

Issues Office



June 26, 1992

PRESIDENT BUSH ON WELFARE REFORM

"It's time to replace the assumptions of the welfare state and help reform the welfare system. States throughout the country are beginning to operate with new assumptions: that when able-bodied people receive government assistance, they have responsibilities to the taxpayer. A responsibility to seek work, education or job training; a responsibility to get their lives in order; a responsibility to hold their families together and refrain from having children out of wedlock; and a responsibility to obey the law."

-- President Bush
State of the Union Address
January 28, 1992

Summary: The President's Objectives for Welfare Reform

- o The principles outlined by the President in his State of the Union Address are essential to adding accountability to welfare and reducing dependency. These reforms include:
 - Requirements that able-bodied welfare recipients enroll in workfare or some form of job training in exchange for receiving benefits;
 - Measuring the success of welfare programs by how many people move from the welfare rolls onto the job rolls.
 - Adding incentives that encourage families to stay together, and disincentives that discourage additional out-of-wedlock births.
- o To accelerate implementation of welfare reforms, President Bush has made a commitment to speed up review of Federal waivers for state reforms. The President and the Secretary of Health and Human Services have already approved a waiver for Wisconsin's Parental and Family Responsibility Initiative, which provides new incentives for welfare recipients to work and marry.

- MORE -

- o Reducing dependency in welfare will save taxpayer dollars, but more importantly, make able-bodied citizens productive again. Getting people off welfare and into jobs helps former recipients, their families, and society generally. In addition, getting long-term dependents off welfare will free up more dollars for programs that are supposed to help working Americans and their families in times of economic strain, instead of providing more government funds for already-dependent welfare recipients.

The Need for Welfare Reform

- o The 1988 Family Support Act represented a philosophical turning point in the approach to welfare; it expanded government efforts to train recipients and to collect child support, but it also required recipients to accept new responsibilities.
- o Many reforms proposed since 1988 reflect the Family Security Act's conceptual approach; however, there remains a growing need to translate new thinking into lasting results. Dependency remains a pervasive problem. Research has shown that about two-thirds of the families on AFDC at any given time will spend a total of eight or more years on the rolls.
- o Addressing long-term dependency by increasing incentives for those on welfare to work and behave responsibly will help dependent recipients become productive again, and will prevent the current generation of children from becoming the AFDC parents of the next decade. New welfare reforms will meet government's responsibility to become both more effective and more compassionate.

Federal Approval of State Demonstration Programs

- o On April 10th, President Bush announced approval of Federal waivers for Wisconsin's Parental and Family Responsibility Initiative which is designed to encourage teenage parent welfare recipients to work and marry. The initiative will strengthen families by encouraging poor couples to marry and to be responsible about child-bearing. Also, recipients will be required to participate in education and job placement services. Unlike existing programs, Wisconsin's plan will increase the reward for taking jobs by increasing the amount of monthly earnings that can be received before AFDC payments are reduced.

- o The Bush Administration has approved several other welfare reform demonstration projects, including:
 - Illinois' Chance for Self-Sufficiency program which is helping families previously on welfare to stay off welfare by providing state-sponsored and community based post-welfare education and training services.
 - In Maryland, Montgomery County's Cash Incentives Payments for Self-Sufficiency which increases the value of work by providing incentive bonuses for completing job training or getting a job.
 - Texas' Toward Independence Program which provided one-year of Medicaid and child care benefits to ease the transition from welfare to work.
- o More than 20 States that begun to develop welfare reform proposals. These proposals are receiving expedited review at the Federal level.

Reforms by States

- o Reforms that require responsibility, promote family values, and reduce dependency, if adopted by a number of states, would fundamentally improve welfare's operation. Meaningful welfare reform as outlined and promoted by the President will mean dependent recipients, to continue receiving benefits, would have to assume a measure of personal responsibility and take concrete steps to improve their lives.
- o States such as New Jersey and California are taking steps to approve reforms similar to the President's proposals. New Jersey has passed a law this year that would instill responsibility by requiring work for welfare (or enrollment in job training), and by not increasing benefits to those who have additional children while receiving welfare.

Putting the Private Sector to Work in Reducing Welfare Dependency

- o The private sector can play an important role in getting welfare recipients back to work. Some states have established public-private networks which pay private firms for each welfare recipient placed in a job. Results-oriented programs like these put the power of the marketplace to work in ways that benefit taxpayers, state and local governments, and welfare recipients.

- o By focusing on results, private firms are able to take direct control over welfare cases, steering recipients into jobs sooner than the state might have, and reducing costs to taxpayers. States have strong incentives to turn to the private sector, which can be held directly accountable for success or failure.
- o In partnership with state and local governments, private sector initiatives under the Job Opportunities and Basic Skills (JOBS) program remove barriers to employment with placement services, sharpen workers' skills, and place welfare recipients in paying jobs. Major "welfare-to-work" projects with private sector involvement exist in Connecticut, New York, Massachusetts, and Wyoming. One private firm manages over 14,000 AFDC cases in Los Angeles County alone. Thousands of Texas AFDC recipients benefit from a private firm's case management project that provides focused training and placement services.

Budgetary Commitments to Welfare Reform

- o The President is making concrete his commitment to workfare and welfare reform by:
 - Providing \$1 billion in FY93 to finance the federal share of the Job Opportunities and Basic Skills training program (JOBS). JOBS helps eligible parents receiving assistance under AFDC to obtain education, training, and employment services, and thus to avoid welfare dependency.
 - Proposing \$250 million over five years for AFDC changes to provide incentives for savings and promote self-employment among welfare recipients.
- o President Bush also wants to expand opportunities for private sector involvement, and, in his Job Training 2000 initiative has proposed several new welfare-to-work reform demonstrations to fund public-private partnerships involving more than \$20 million in welfare payments.

Creating Opportunities for Self-Improvement

- o The President understands that instilling responsibility means more than just providing opportunities for education and training -- it means creating a network of opportunity for self-improvement: the HOPE initiative in housing to encourage home ownership, the AMERICA 2000 strategy to restore accountability to education, and significant new funding for child care programs to help the children of working parents onto the path of opportunity and Job Training 2000 which would establish "one-stop shopping" skill centers replacing the existing job training maze to help the low-income disadvantaged find jobs, and training more easily.
- o If government is to encourage personal responsibility, the design of current programs must be changed significantly to expand job opportunities and promote self sufficiency. To this end, the President's FY93 budget contains several initiatives to help low-income families escape welfare dependency:
 - The President has proposed to give states the option of allowing families already on the welfare rolls to accumulate savings. This will give AFDC families the opportunity to save up to \$10,000 to achieve independence from welfare, educate their children, or start a business.
 - The President has proposed to create a welfare initiative, similar to an existing Social Security initiative, the Plan for Achieving Self-Support (PASS). This plan would let welfare families who agree to leave welfare within a specified period to keep income which normally would count against the family's welfare benefits.
 - The President has proposed a demonstration program allowing states to create escrow savings accounts for long-term AFDC recipients trying to work their way off welfare. Individuals could set aside an amount equal to state's savings from not having to pay AFDC that would be realized when the family head gets a job. These savings would be paid back to the family in a lump sum once family income exceeds the need for cash assistance.

- o These legislative changes would assist states in designing workfare plans that meet the President's reform objectives. They would also allow welfare recipients to prepare better for entry into the work force and help prevent their return to the welfare rolls.

Enforcement of Child Support

- o President Bush understands that welfare dependency often stems from the failure of families to form or endure. Thus, the President is working on a variety of fronts to strengthen families and lower the costs of raising children.
- o President Bush is committed to making sure that absent parents meet their financial responsibilities, giving children at least the financial support they need. In the first three years of the Bush Administration, child support collections by states rose 30 percent. In 1986, child support orders recovered by the federal government totalled just \$3.2 billion. Last year, recoveries had more than doubled to almost \$7 billion. About \$2 billion of that amount was collected on behalf of families receiving welfare.
- o President bush has proposed legislative changes to extend child support enforcement services to recipients of other federally funded programs besides AFDC, and to increase health insurance coverage of children by their non-custodial parents.

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BACKGROUND

Issues Office

BUSH
QUAYLE
92

July 31, 1992

PRESIDENT BUSH: TRANSFORMING WELFARE

- o The President's Goals for Transforming Welfare: Too often, welfare systems create dependency instead of self-reliance. The President believes welfare should be a temporary helping hand, not a way of life. And, once on welfare, recipients have responsibilities to taxpayers -- to find work, to obey the law, to avoid having additional children, and to keep their children off drugs.
- o Waiving Burdensome Federal Regulations: President Bush has approved waivers of federal regulations for five states, allowing these states' reforms to go into effect. Far-reaching state reforms in California, Wisconsin, and New Jersey will promote the President's goals of keeping families together, and ensuring that welfare recipients behave responsibly.
- o The President's Welfare Reform Plan: President Bush announced far-reaching legislation to return the values of work and responsibility to anti-poverty programs, and to end the cycle of welfare dependency. Under the President's proposals:
 - The President would be able to waive federal regulations that inhibit reforms in Food Stamps and federal housing programs.
 - Public housing residents and the homeless would be able to work in housing improvement projects.
 - States and communities could undertake broad reforms involving a number of federal programs.
 - Other legislation would encourage new types of state reforms, sometimes without having to seek federal waivers.
- o Clinton on State Welfare Reforms -- I'm for them too, I think? Clinton has had two contradictory opinions about New Jersey's reforms, which deny additional welfare payments to recipients who have more children. First Clinton said he would not have signed the law, but months later said that he would have signed a federal waiver for it. Then, Clinton compared California's welfare plan unfavorably to New Jersey's, and strongly implied that he would not have approved a waiver for California's plan.
- o Clinton's Arkansas -- still poor and mismanaged after all these years: After Clinton's 12 years in office, Arkansas now suffers from a state welfare bureaucracy whose administrative costs have ballooned by 3,000 percent since 1983. Since Clinton's welfare "reform" program started, Arkansas's total welfare caseload has increased by 12 percent (as of this April). This January Clinton claimed his reforms had been reviewed by the Manpower Demonstration Research Corp. (MDRC) as "one of the three of four best programs in the United States." In fact, neither the MDRC nor any other independent group has reviewed his program.

BACKGROUNDER

Research Office

BUSH
QUAYLE
92

Clinton's Welfare Reform Record

Though Bill Clinton campaigns as a crusading welfare reform innovator, and promises to "end welfare as we know it," his actual platform calls for nothing beyond what Federal law already requires. He has said different things to different audiences on what is a central question in the welfare reform debate — presidential waivers to permit further state-level experimentation, as pioneered by President Bush. And he has made grand, false claims about the ineffective Arkansas welfare program he supervises — using statistics from a predecessor program actually established by Republican Governor Frank White. After Clinton's 12 years in office, Arkansas now suffers a state welfare bureaucracy whose administrative costs have ballooned by 3,000 percent since 1983, and poverty that places the state at or near the bottom of the country in nearly every meaningful category.

Hollow Promises

- On the presidential campaign trail, Clinton makes sweeping promises of radical welfare reform: "My national economic strategy will strengthen families and empower all Americans to work. It will break the cycle of dependency and end welfare as we know it." Specifically, Clinton claims he would provide current welfare recipients with up to two years of education, job training, and child care, after which "those who can work will have to go to work" in the private sector or in guaranteed public service jobs — or lose their benefits ("Putting People First: A National Economic Strategy").
- But Joe Klein, writing in *New York* magazine ("Profile in What?" 3/16/92), cites no less an authority than Senator Daniel Patrick Moynihan to the effect that *everything* Clinton proposes on welfare has already been written into Federal law by the Family Support Act of 1988 — a law Clinton helped draft and lobbied for as a representative of the National Governors Association.

Campaigning by Applause Meter

- Clinton has been evasive on what is currently the nation's central welfare reform question: presidential waivers to permit additional state experimentation.
- Clinton has had two contradictory opinions this year about the New Jersey law denying additional welfare payments to mothers who have more children. During the New Hampshire primary campaign (WMUR-TV debate, 1/19/92), he opposed the law: "I would not sign that bill. What I would do is make welfare reform work. I would spend more money on education and training for these mothers. I agree with Senator Kerrey; give them health care. Make sure they have child care. Require them to go to work when they can, and if, after the education program is completed and they haven't gone to work after a certain amount of time, provide public service employment... There's no point in hurting the kids. What you want to do is liberate the mothers."

- Speaking in New Jersey several months later, however, Clinton said "There are some very good things" in the state's new law. "If New Jersey passes a package of laws that requires a waiver from existing Federal welfare statutes to implement the whole package, I would be inclined to give the state a waiver to implement that. Because I like a lot of the other things in the package, and because it is true that the average working family doesn't get an increase in income when they have an increased number of kids." Also during this appearance, Clinton compared California's proposed welfare revisions unfavorably to New Jersey's and strongly implied he would not approve California's waiver (*New York Times*, 5/23/92)

Failure in Arkansas: Project Success

- Of Clinton's pledge to "end welfare as we know it," *U.S. News and World Report* (4/20/92) says "judging from his record, such promises should be taken with more than a grain of salt." The magazine labels Clinton's welfare platform "unconvincing," and reports that his Arkansas programs "aren't as great as he claims."
- Clinton has claimed great things about "Project Success," passed in 1987 as his state's version of legislation required by the Family Support Act. All able-bodied Arkansas welfare recipients are required to participate in the program unless they have a child under a year old (Federal law permits exemptions for mothers with children 3 and under). Recipients who refuse to participate lose their benefits. Participants theoretically receive transitional education, job skills training, day care, transportation, and Medicaid health care services. Those deemed qualified for the job market are required to look for work and document their contacts.
- At the National Rainbow Coalition forum on January 25 this year, Clinton claimed that Project Success "has been evaluated by the Manpower Demonstration Research [Corp.] as one of the three or four best programs in the United States, not because it is oppressing the poor, kicking the poor around, but because it is instrumental in liberating the poor." In fact, MDRC has never reviewed Project Success — nor has any other independent group or agency.
- MDRC did perform an evaluation of the Arkansas WORK program, an 8-county demonstration project begun in 1982 by Clinton's predecessor, Republican Governor Frank White. Clinton expanded the WORK program statewide in 1985, and used it as the model for his own 1987 proposals. The MDRC study tracked 1,100 AFDC recipients during WORK's pilot stage, and found that after 9 months, only 3 percent of enrollees had tried a workfare job. After three years, MDRC found that welfare rolls had been reduced by just 7 percentage points in the experimental group and that the proportion of recipients who had ever worked was boosted by just 5 percentage points (*U.S. News and World Report*, 4/20/92).
- State officials report that since Project Success was formally inaugurated in July 1989, Arkansas's total welfare caseload has increased — 10 percent by August 1991, and 12 percent by this April. Analysis from Arkansas Advocates for Children and Families, the agency

that will formally evaluate Project Success, say they cannot yet determine how well the program is functioning from available statistics. Official results have not been released (*Arkansas Gazette*, 6/24/91; *U.S. News and World Report*, 4/20/92).

- State officials also report that funding shortages make the program's enrollment requirements largely toothless. In March 1992, only 4,092 of Arkansas's 26,858 AFDC families were "active" in Project Success (*U.S. News and World Report*, 4/20/92).
- And despite Clinton's claim that welfare reform works if you "apply sanctions to enforce it," Arkansas's sanctions are, as Clinton employees acknowledge, also toothless. In 1991, the state dropped an average of just 203 cases a month (less than 1 percent of all those on AFDC), numbers which are already inflated because new welfare families replace those who leave the rolls. Actual monthly benefits cutbacks come to just \$30 or \$40 dollars, and when asked if such a sanction is sufficient to encourage compliance with the program, one Arkansas official admits: "probably not" (*U.S. News and World Report*, 4/20/92).

Arkansas: Still Poor and Mismanaged After All These Years

- Despite a major, Clinton-engineered reorganization at the Arkansas Department of Human Services, the state's largest agency and the one responsible for welfare, administrative costs have grown by more than 3,000 percent since 1983 (state budgets, 1983 and 1991).
- Clinton's frequent mid-year budget problems were once so severe that he publicly resisted Federally-imposed tax changes designed to relieve the poor. In 1986, a new Federal law prohibited Arkansas (and any other state) from charging a sales tax on items bought with food stamps. The law required that this regressive and punitive practice be abolished in Arkansas's next legislative session, no later than October 1987. Clinton initially cancelled an otherwise planned special legislative session specifically to avoid losing revenue from the food stamp tax. He then decided to go ahead with the special session — but only after his lawyer found a loophole in the federal statute through which only a *regular* session (not specials) would trigger the exemption requirement.

On April 14, 1987 — 2,190 days after he became governor — Clinton finally exempted food stamps from his sales tax and complied with Federal law. But the bill he signed made clear that the change was to take effect on the last possible day: October 1. And it also included an automatic revocation if Federal law should change: "The tax exemption provided by section 11 of this Act shall expire if the exemption becomes no longer required for full participation in the food stamp program and the Special Supplemental Food Program for Women, Infants and Children" (*Pine Bluff Commercial*, 2/8/86; *Arkansas Democrat*, 2/7/86; *Arkansas Gazette*, 4/11/86; Arkansas Act 1033, approved 4/14/87).

- Nearly 1 in 5 Arkansans lives in poverty. A full 19.8 percent of all Arkansas residents live below the poverty line — up from 19 percent in 1980, and one of the four worst state averages in the country (*Arkansas Gazette*, 9/20/91 and U.S. Bureau of the Census). The *Arkansas Gazette* (9/22/91) cites a 1991 study finding that more than half the state's black residents — 53 percent — live in poverty.

July 30, 1992

FOR INTERNAL USE ONLY

EXPANDING OPPORTUNITIES FOR WOMEN

". . . we celebrate the many unique and vital contributions that women have made to our nation. . . [E]very aspect of our national life has been enriched by the creativity, energy and leadership of women. . .

—— President Bush
March 25, 1991

President Bush's policies means economic opportunities.

- President Bush has strengthened employment opportunities for women by signing the 1991 Civil Rights Act.

President Bush pushed for a sound child care program.

- Challenged Congress to pass his key child care proposals -- and won. This new law ensures that parents -- not government -- make the choice of who cares for their children.
- Defeated congressional liberals who sought burdensome regulation of small, private child care centers -- potentially regulating grandmothers -- and religious institutions now providing good, affordable child care.
- Made child care affordable for lower-income families through tax credits of up to \$1,000 for each child under the age of four. Families in the program will receive \$31 billion in direct payments and tax credits over the next five years.

President Bush eliminated the "glass ceiling" in government.

- President Bush appointed 56 women to senior policy-making positions. Of these women, three are in the Cabinet: Secretary of Labor Lynn Martin, Secretary of Commerce Barbara Franklin, and U.S. Trade Representative Carla Hills.

Women hold key leadership posts in the Bush campaign.

- Women in senior posts in President Bush's reelection campaign include Deputy Campaign Director Mary Matalin; Press Secretary Torie Clarke; National Coalitions Director Mimi Dawson; and Deputy Communications Director Leslie Goodman.

President Bush promotes better health for women.

- President Bush increased funding for the prevention of breast and cervical cancer by 24 percent in fiscal 1993 — to a record \$515 million.
- The Bush Administration expanded Medicare to help pay for mammograms. About 5.3 million women are expected to receive these benefits in fiscal 1992.
- Marilyn Quayle, wife of the Vice President, is a national leader in raising public awareness about breast cancer. Her efforts induced Congress to approve a program making mammograms and "pap" tests available to poor women.

President Bush launches women's health research initiative.

- President Bush proposed and implemented the largest-ever study of women's health. The initiative will track 140,000 women to evaluate approaches to prevent cancer, heart disease and osteoporosis.

President Bush appointed Surgeon General Antonio C. Novello, M.D.

- Appointed by President Bush, the Surgeon General is an outspoken advocate for women's health issues and initiatives.

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CLINTON: FUTURE FOR ARKANSAS WOMEN DIM

Clinton's "glass ceiling" is intact in Arkansas.

- With Clinton as governor, according to an *Arkansas Gazette* study, women suffered widespread discrimination in both pay and position in Arkansas' state government.
 - Men held 80 percent of state jobs earning more than \$43,000 a year — and 65 percent of top management positions.
- Only three women serve in Clinton's 17-member cabinet, according to a 1992 report of the National Women's Political Caucus — 17.5 percent, compared with a national average among the states of 23.3 percent.
 - Clinton ranked 32nd in a survey of the cabinets of 43 state governors. [The Associated Press, 4/7/92]

Clinton's Arkansas lags in firms owned by women.

- Arkansas ranks 40th among the 50 states in the number of businesses owned by women. [1987 survey of women-owned business enterprises, U.S. Bureau of the Census]

Arkansas Mothers: "Single" Very Often Means "Poor"

- 41.2 percent of Arkansas' households headed by women live in poverty. [1990 United States Census]
- More than half (52.1 percent) of female-headed families with children under 18 years of age live in poverty -- as do two-thirds of female-headed families with children under 5. [1990 United States Census]

In Clinton's Arkansas, some people are more equal than others.

- Clinton endorsed the Equal Rights Amendment — but he has never signed a civil rights law in Arkansas. There is none. [The Associated Press, 3/14/79; *Time*, 4/13/92]

BRIEFING PAPER

Issues Office

BUSH
QUAYLE
92

June 17, 1992

ARMS CONTROL AGREEMENTS WITH RUSSIA

- o **Historic Agreement:** The agreement today between President Bush and President Yeltsin represents a historic arms accord, following closely on the heels of the 1991 Strategic Arms Reduction Treaty (START). The new accord provides for major cuts and schedules to achieve these cuts by the end of the century in strategic weapons long-seen by each side as the greatest threat to stability.
 - By 1999, the United States is scheduled to have 4,250 strategic warheads. Russia will have 3,800. By 2003, the U.S. will have reduced its warheads further to 3,500, while Russia will have cut warheads to 3,000.
 - The new agreement cuts those nuclear warheads that have been the greatest source of concern and instability on each side: for the United States, Russia's heavy, land-based SS-18 missiles each of which carries ten nuclear warheads; and for Russia, the United States' arsenal of submarine-launched ballistic missiles, long-seen by the Russians as a source of nuclear competition.
- o **Culmination of Bush Initiative:** The new accord was made possible by President Bush's vision and initiative in the wake of the failed Moscow coup and the successful completion of the START accord. Recognizing the opportunity for new cuts with the emergence of Russian democracy, President Bush won Russia's assent to eliminate tens of thousands of nuclear weapons no longer needed by either Russia or America. Now, just eight months later, Presidents Bush and Yeltsin have concluded the agreement, with new cuts paving the way to a new age of global democracy.
- o **Peace through Strength:** President Bush's successes are a vindication of Reagan-Bush peace through strength policies. Presidents Reagan and Bush strengthened America's nuclear deterrent in the U.S. and Europe. They forced the Soviet Union to take a hard look and American and European resolve, and they forced the Soviets to negotiate the first agreements that led to the removal of nuclear weapons. President Bush maintained pressure on former Soviet leader Gorbachev to conclude a START agreement, which for the first time required some cuts in strategic nuclear weapons. Then, having supported the emergence of Russian democracy, President Bush put his experience and vision to work to achieve new, major cuts.

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July 30, 1992

FOR INTERNAL USE ONLY

DEFENDING AMERICA

"[I]f you ask me what gives you the most pride or pleasure out of having been President, I take pride that it was the leadership of the United States that has diminished for our children the threat of nuclear war."

—— President Bush
April 27, 1992

Having drastically reduced the threat of nuclear war and defeated aggression in the Persian Gulf, President Bush is restructuring our armed forces to meet new challenges, including those posed by dictators like Saddam Hussein who threaten our vital interests.

These reductions are being realized by dramatic changes in force structure such as cuts in those areas that are vestiges of cold war confrontation while maintaining forces needed for rapid response, as was the case in the Persian Gulf crisis.

President Bush is restructuring our peacetime armed forces.

- Through planned reductions, our forces will be cut down to the smallest acceptable level, a "base force" below which further reductions would not be prudent.
- In his 1992 State of the Union address, President Bush proposed a \$50 billion reduction in defense spending over the next five years, in addition to reductions already planned. As the President said:

"These cuts are deep, and you must know my resolve: this deep, and no deeper. To do less would be insensible to progress, but to do more would be ignorant of history." (January 28, 1992)

- This downsizing of the American military will reduce defense outlays by fiscal 1997 to about 3.4 percent of our gross national product and 16 percent of total federal outlays — the lowest levels since before World War II.

President Bush is forging strategic modernization of the military.

President Bush has maintained a modern, capable and effective strategic triad of strategic ballistic missiles, submarines and bombers.

- The Trident submarine program is fixed at 18 submarines and deployment has begun on its new missile, the D-5.
- Continued development and flight testing of the B-2 bomber has firmly planted the United States aerospace industry in a new era of low-observable technology.
- The Minuteman III intercontinental ballistic missile, proven during years of deployment, will be upgraded.

President Bush is reorienting the Strategic Defense Initiative.

- Reoriented the Strategic Defense Initiative (SDI) to defend Americans and our allies and friends against limited attacks or accidental launches — whatever their source.

President Bush has ended the nuclear nightmare.

- After nine years of negotiations, President Bush signed the historic Strategic Arms Reduction Treaty (START), which cuts the most destabilizing long-range Soviet nuclear warheads in half.
- Building on START, President Bush achieved the most significant arms reduction agreement in history, ending the nuclear nightmare for ourselves and our children.
- President Bush won agreement with Russian President Yeltsin to reduce both nations' stockpiles of long-range nuclear warheads to historically low levels — more than one-half below START levels — and also, by the year 2003, to eliminate all land-based, multiple-warhead missiles, the most dangerous and destabilizing nuclear weapons.
- This proposed treaty would eliminate those nuclear weapons most likely to have been used in a preëemptive first strike.
- President Bush achieved Russian agreement to develop a concept for global protection against limited ballistic missile attack, including exploration of a new legal regime to enable us to defend America, our allies, and the community of nations from missile attacks by rogue nations.

President Bush has made giant strides in arms control.

President Bush:

- Signed an agreement with the Soviet Union to destroy 90 percent of each nation's declared stockpiles of chemical weapons within 10 years. No new chemical weapons will be produced.
- Spearheaded United Nations efforts to destroy Saddam Hussein's nuclear capability.
- Strengthened export controls to thwart the spread of technology used to manufacture weapons of mass destruction in developing countries.

President Bush made us proud with Operation Desert Storm.

President Bush:

- Forged an unprecedented international coalition to battle tyranny in the Persian Gulf, proving that naked aggression will not stand.
- Shaped alliances among both allies and former antagonists to defeat the Iraqi army in a 100-hour land war.
- Seriously constrained Iraq's potential to build a nuclear weapon. Iraq no longer poses a serious threat to its neighbors.
- Made us proud to be Americans. Showed America's "can do" spirit. Vindicated the Reagan-Bush "Peace through Strength" defense buildup of the 1980s. Affirmed America's preëminence as the most technologically advanced nation in the world.

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CLINTON: NO EXPERIENCE, WILL GUT DEFENSE

Clinton has no credible experience in either defense or foreign policy. His only hands-on experience was as an intern nearly 25 years ago on the staff of Arkansas Senator J. William Fulbright, a leader of the anti-Vietnam War movement.

Clinton would decimate America's defenses.

- Clinton plans to cut the defense budget by more than one-third (\$100 billion) — cuts twice as deep as those proposed by President Bush.
- Clinton's national defense proposals are precisely what Gen. Colin Powell, chairman of the Joint Chiefs of Staff, said earlier would put the military "right back to the '70s" — before the Reagan-Bush defense buildup that made Cold War victory possible.

Clinton waffled on the most important national security issue in years — whether to kick Saddam Hussein's Iraqi army out of Kuwait.

- "I guess I would have voted with the majority (in Congress) if it was a close vote," Clinton said. "But I agree with the arguments the minority made."

Could Clinton, as a commander-in-chief who ducked the Vietnam War draft, ever call on young men and women to defend our country?

- During the Vietnam War, Clinton cleverly rigged it so he would not be drafted. He let others go into combat in his place.
- In 1969, as a graduate student in England, Clinton organized Vietnam War protests — one of them outside the American embassy in London.
- Clinton also traveled in Europe to confer with "peace" activists.
- Clinton escaped the draft for two crucial months during the Vietnam War by promising to enroll in an ROTC program at a school his mother later said he never really planned to attend.

Clinton admitted he ducked the draft *for political gain.*

- Clinton escaped military induction for good when he got a high number in the draft lottery. Afterwards, Clinton wrote to his ROTC recruiter acknowledging that he had "deceived" the recruiter, thanked him for "saving me from the draft," and asserted that he had done it all "to maintain my political viability within the system."

Both Clinton and Gore have backgrounds as militant protesters against the Vietnam War.

- Clinton manipulated military service for politics
— *the same reason Gore enlisted in the Army.*
- Gore's enlistment was calculated to save his father's political future.
 - The elder Gore was in a tough Senate reelection fight he ultimately lost to Republican Rep. Bill Brock, a Navy veteran. The senior Gore's campaign did not need a draft-dodging son fleeing to Canada.
- "[Gore, Jr. was] militantly anti-war and did not want to go into the army," David Halberstam, Pulitzer Prize-winning author, wrote later. "But he was faced with a terrible choice: to stay out and avoid the draft in a state like Tennessee would cost the Senate one of its leading doves. . . In fact, Pauline [his mother], who was bitterly and militantly anti-war told young Al she would be glad to go to Canada with him." [Harper's, January 1971]
- When asked by an uncle why he was so anti-war Gore, Jr., responded: "I guess . . . it's my Baptist religion." His uncle said, "I never knew there was anything in the Baptist religion against war" Gore answered, "What about the sixth commandment, 'Thou shalt not kill.'" [Halberstam, Harper's, January 1971]
- While overseas, the younger Gore wrote repentant, melodramatic letters home.
 - "When, and if, I get home from Vietnam," one letter said, "I'm going to divinity school to atone for my sins." Vanity Fair, May 1988
- Gore, Jr. never saw combat. He was a newspaper reporter with an engineering brigade near Saigon.

**Speech Card
OPERATION DESERT STORM**

July 30, 1992

FOR INTERNAL USE ONLY

OPERATION DESERT STORM

"We fought not for a narrow interest, but for a noble ideal. And we fought to liberate a nation, to defeat an aggressor who brought misery — who brings it still — to many millions of innocent people."

—— President Bush
July 25, 1992

President Bush took decision action against Saddam Hussein. He set clear goals for U.S. forces, then met them with minimum loss of American lives.

President Bush's prompt and decisive action to defeat Saddam Hussein and the Iraqi army:

- Protected American interests in the Middle East by preventing the region and the industrialized world from being held hostage to Saddam Hussein's demands and the threat of potential nuclear blackmail.
- Liberated Kuwait.
- Secured the safety of Persian Gulf oil supplies.
- Affirmed America's "can-do" spirit and the technological superiority of its armed forces.

President Bush demonstrated experienced leadership.

President Bush's experienced international leadership was crucial.

- The President forged an unprecedented 33-nation coalition that stopped Saddam Hussein's Iraqi army from invading Saudi Arabia.
- President Bush shaped alliances among allies, friends and former antagonists to defeat Saddam Hussein's war machine in a short, decisive war ending with a 100-hour ground campaign.
- The Iraqi dictator's ejection from Kuwait restored security and stability to the region — proving that aggression will not stand, and that the United Nations can be an effective institution for resolving regional conflicts.

President Bush demonstrated foresight.

The President:

- Understood — before other American leaders did — that Saddam Hussein's aggression was a unique threat to American interests and security.
- Moved decisively to stop Saddam Hussein in his tracks.
- Rejected economic sanctions and other half-hearted, inadequate measures proposed by congressional Democrats and, instead, led the battle to destroy Saddam Hussein's ability to wage war.
- Achieved a decisive postwar settlement that, in one stroke, laid Iraq open to destruction of its non-conventional weapons while avoiding a protracted American military occupation.
- Demanded a new standard for burden-sharing between America and her allies. American troops were uniquely prepared to restore security and defeat Saddam Hussein — and our allies for the first time reimbursed America for her sacrifices.
- Seriously contained Iraq's potential to build a nuclear weapon — so that Iran no longer poses a serious threat to its Middle East neighbors.

President Bush restored America's "can do" spirit.

President Bush's defeat of Saddam Hussein proved the wisdom of the Reagan-Bush "Peace through Strength" military buildup of the 1980s. America's victory over Saddam Hussein made us proud to be Americans and eliminated the last vestiges of Vietnam-era defeatism from American society.

The heroism and resourcefulness of America's fighting men and women in the Persian Gulf demonstrated yet again that our country's character and technology are unique and second to none.

- Laser-guided missile technology, made possible by American investment and know-how, achieved breathtaking accuracy. Saddam Hussein's military command and communication centers were destroyed, and his Scud missiles rendered ineffective — all the while putting a limited number of Americans at risk.
- The men and women in our armed forces epitomize the same "can-do" American spirit President Bush exemplified in World War II combat as the Navy's then youngest fighter pilot.

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CLINTON WAFFLES ON OPERATION DESERT STORM

Clinton flip-flopped on Desert Storm.

- After Desert Storm, Clinton said: "I supported the Persian Gulf war because I thought it was right and in our national interest, just as I opposed the Vietnam War because I thought it was wrong and not in our national interest." [*U.S. News & World Report*, 3/23/92]
- Before Desert Storm, Clinton said: "I agree with the arguments of the people in the minority on the resolution — that we should give sanctions more time and maybe even explore a full-scale embargo . . . before we go to war." [*The Associated Press in The Pine Bluff Commercial*, 1/15/91]

The Arkansas press knows the REAL Clinton

- "One of the best-kept secrets of Mr. Clinton's presidential campaign is that he's said he would have sided with those who opposed the president at the time." [Paul Greenberg, editor of *The Pine Bluff Commercial*, in a column in *The Washington Times*, 8/13/91]
- Those seeking Bill Clinton's unwavering support for a crucial decision on war or peace need only meet one requirement: First win the war. Then he'll come through 100 percent. *William Jefferson Clinton is not one to desert a cause in its hour of victory.* [Emphasis added] [Editorial, "*The Pine Bluff Commercial*," 2/21/92]

July 30, 1992

FOR INTERNAL USE ONLY

LEADER OF THE FREE WORLD

"For more than 45 years, the highest responsibility of nine American presidents, Democrats and Republicans, was to wage and win the Cold War. It was my privilege to work with Ronald Reagan on these broad programs, and now to lead the American people in winning peace by embracing the people so recently freed from tyranny to welcome them into the community of democratic nations."

—— President Bush
April 1, 1992

President Bush is the preëminent leader of a freer world.

Our country is at peace, the only superpower on earth — thanks to President Bush.

We won the Cold War.

President Bush's leadership forged a 33-nation coalition of friends and former enemies that drove the Iraqi army from Kuwait.

His persistent dedication in the cause of peace has brought us the greatest arms reduction breakthrough in our lifetimes. No longer do our children fear nuclear war.

From Panamá to Eastern Europe and the republics of the former Soviet Union, President Bush is the world's foremost champion of freedom and democracy.

Operation Desert Storm

President Bush — before many other world leaders — understood the threat to world peace posed by Iraqi aggression, and he acted with calm decision to reverse it.

- The President's decisive actions stood in sharp contrast to the doubt-ridden Democrat leadership in Congress. His decisive action in the Middle East saved the world from the threat of nuclear terrorism and guaranteed the safety of Persian Gulf oil supplies.

Ending the Cold War was a triumph of freedom.

President Bush has been on the cutting edge of world change.

- President Bush's clear-eyed diplomacy rapidly and peacefully ended the 47-year old Cold War.

President Bush:

- Transformed United States-Soviet relations from an era of Cold War confrontation to one of unprecedented engagement, cooperation and partnership. America, along with her allies and the former Soviet Union, is charting a post-cold war Europe.
- Built a new relationship with Russia, Ukraine, the Baltic nations, and the other former Soviet republics to honor nuclear arms reduction agreements with the former Soviet Union, secure democratic reforms and establish market economies.
- Provided critical support to bring about democratic change in the former Soviet republics and in Eastern Europe.
- Orchestrated extraordinary diplomacy to achieve a rapid and peaceful German unification without triggering a crisis with the former Soviet Union.
- With the collapse of the Warsaw Pact, is reducing our military presence in Europe by half while strongly supporting NATO.
 - Prospects for a major conventional war in Europe have been nearly eliminated.
 - As Russian President Boris Yeltsin said, "We know one thing. . . We shall not fight against each other."

President Bush demonstrated leadership, foresight

President Bush:

- Was the first Western leader to announce, in May 1989, a plan of action to achieve "a Europe whole and free."
- Was the first to declare that the Free World should move "beyond containment" and bring the Soviet Union peacefully into the world community of nations.
- Was the first statesman to call for economic assistance to Poland, and the first outside of Germany to champion German reunification.

President Bush championed democracy for the former Soviet Union.

President Bush:

- Pressured and encouraged Soviet President Gorbachev to implement dramatic human rights and economic reforms that brought peaceful democratic revolution to the Soviet Union and Eastern Europe.
- Led the international effort to help transform the Soviet economy from centralized planning to market economics.
- Steadfastly supported Boris Yeltsin's brave stand for freedom and democracy against a coup by reactionary Soviet leaders.
- Worked behind the scenes with Gorbachev and Yelstin to secure Baltic independence and the liberation of Latvia, Lithuania and Estonia from Soviet rule.
- Defended the rights of *refusniks* and others who wished to emigrate freely, leading to passage of a landmark 1991 Soviet law of free emigration.
- As a result of the President's pressure on Gorbachev, hundreds of thousands of Soviet Jews, pentacostals and others were able to emigrate to the United States, Israel and other Western countries.

President Bush ended the nuclear nightmare.

President Bush:

- After nine years of negotiations, signed the historic Strategic Arms Reduction Treaty (START), which cuts the most destabilizing long-range Soviet nuclear warheads in half and provides the framework for further cuts in strategic nuclear arms.
- Building on START, achieved the most significant arms reduction agreement in history and virtually ended the threat of nuclear holocaust for ourselves and our children.
- Won agreement with Russian President Yeltsin to reduce both nations' stockpiles of long-range nuclear warheads to historically low levels — more than one-half below START levels — and also, by the year 2003, to eliminate all land-based, multiple-warhead missiles, the most dangerous and destabilizing nuclear weapons.
- This proposed treaty would eliminate those nuclear weapons most likely to have been used in a preëmptive first strike.

- Achieved Russian agreement to develop a concept for global protection against limited ballistic missile attack, including exploration of a new legal regime to enable us to defend America, our allies, and the community of nations from missile attacks by rogue nations.
- Reoriented the Strategic Defense Initiative (SDI) to defend America and her allies and friends against limited attacks or accidental launches — whatever their source.

President Bush has gained arms reduction agreements that reduce the threat of nuclear war.

President Bush:

- Signed an agreement with the Soviet Union to destroy about 90 percent of each nation's declared stockpiles of chemical weapons within 10 years. No new chemical weapons will be produced.
- Spearheaded United Nations efforts to destroy Saddam Hussein's nuclear capability.
- Created the first-ever U.S. export controls to stop the spread of chemical, biological and nuclear weapons technology.

President Bush is leading the fight against international terrorism.

President Bush:

- Expanded counter-terrorism cooperation with other countries, discouraging all nations from direct and indirect support of terrorism.
- Won freedom for western hostages in Lebanon without compromising American principles.
- Captured and brought to justice in U.S. courts, for the first time, a terrorist who had threatened Americans overseas.
- Spearheaded a United Nations Security Council resolution calling on Libya to hand over two suspects indicted by the Justice Department for the bombing of Pan Am flight 103.

President Bush is winning the war against drug trafficking.

President Bush:

- Convened a first-ever drug summit in 1991 in Cartagena, Colombia, with leaders of Colombia, Bolivia and Peru — and a second with leaders of seven nations in San Antonio in 1992.
- Organized new coalitions with Latin American nations to wage war against drug traffickers where they live.
- Destroyed drug crops in the fields and deployed United States personnel, equipment and intelligence to interdict drug traffickers.
- Increased funding for international drug control efforts by more than 152 percent — from \$304 million to \$768 million.

President Bush is helping to bring about Middle East peace.

President Bush:

- Brought about the first face-to-face talks ever held between Israel and all of its Arab neighbors.
- Strengthened the U.S. strategic relationship, deploying American Patriot missile batteries to defend Israeli cities.
- Led the repeal of the United Nations resolution equating Zionism with racism.

President Bush is a world leader in resolving regional conflicts.

President Bush:

- Turned the United Nations into an effective institution to resolve international conflicts.

President Bush is restoring democracy in Central America.

President Bush:

- With *Operation Just Cause*, restored democracy to Panamá. Captured and convicted dictator Manuel Noriega for international drug trafficking.
- Helped bring about free elections in Nicaragua and supported President Violeta Chamorro to bring peace and democracy to that war-torn country.
- Worked with the United Nations, regional partners, and El Salvador's President Alfredo Cristiani to end El Salvador's civil war.

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CLINTON HAS NO FOREIGN POLICY EXPERIENCE

Clinton displayed dangerous meandering of opinion on the Soviet coup.

- Clinton criticized President Bush's policy before the Soviet coup, saying Bush stayed with Soviet President Gorbachev too long. [Clinton speech, Foreign Policy Association of New York, 4/1/92]
- Two weeks prior to the coup, Clinton said President Bush "was right on the Gulf and he's handling the Soviets well today." [*The Washington Times*, 8/1/91]
- During the coup, Clinton timidly reacted to the conspirators, saying, "I don't know if they can be trusted." [*The Seattle Times*, 8/21/91]
- Not exactly the words of a courageous leader. Clinton said, "I think people like me shouldn't say much right now until we find out what's happening." [The Associated Press, 8/21/91]
- He described the event as "disturbing." [The Associated Press, 8/19/91]
- Clinton's home-state newspapers put it best:
 - "Clinton's presidential ambitions have always been ludicrous, but they were never more so than Monday. Just a day after he said that Bush should turn his attention from foreign policy to the home front, the sponsors of the in the Soviet Union demonstrated why this country needs a president capable of comprehending a world picture." [John Starr, managing editor, *The Arkansas Democrat*, 8/21/91]
 - "But despite having all the aforementioned [foreign policy] credentials, Clinton was largely mum. He didn't speak out Monday or Tuesday on the in the same clear fashion he did on the issue of abortion on Sunday on national television." [Column by Jeffrey Stinson, *The Arkansas Gazette*, 8/25/91]

Clinton flip-flopped on Desert Storm.

- **After Desert Storm**, Bill Clinton said: "I supported the Persian Gulf war because I thought it was right and in our national interest, just as I opposed the Vietnam War because I thought it was wrong and not in our national interest." [*U.S. News & World Report*, 3/23/92]
- **Before Desert Storm**, Clinton said: "I agree with the arguments of the people in the minority on the resolution — that we should give sanctions more time and maybe even explore a full-scale embargo . . . before we go to war." [*The Associated Press in The Pine Bluff Commercial*, 1/15/91]

Here's the REAL Bill Clinton.

- "One of the best-kept secrets of Mr. Clinton's presidential campaign is that he's said he would have sided with those who opposed the president at the time." [Paul Greenberg, editor of *The Pine Bluff Commercial*, in a column in *The Washington Times*, 8/13/91]
- "Those seeking Bill Clinton's unwavering support for a crucial decision on war or peace need only meet one requirement: First win the war. Then he'll come through 100 percent. *William Jefferson Clinton is not one to desert a cause in its hour of victory.*" [Emphasis added] [Editorial, *The Pine Bluff Commercial*, 2/2/92]

Gore is a Teddy Kennedy ultra-liberal.

- In 1987, *The National Journal* ranked Gore's foreign policy votes 81 percent liberal and 0 percent conservative.
 - In contrast, Georgia Sen. Sam Nunn scored 41 percent liberal and 57 percent conservative.

Gore opposes SDI.

- In 1991, Gore opposed a Sam Nunn-proposed limited missile system to protect the continental United States from an accidental or rogue attack by a Third World regime.

Hillary Clinton was a financial angel of radical, left-wing groups.

- As director and chair of the board of directors of the New World Foundation in 1988, Hillary Clinton contributed \$5,000 to the extremist CISPES (The Committee in Support of the People of El Salvador).

- CISPES was founded by the brother of El Salvador's Communist Party boss to mobilize American support for the FMLN, the major communist guerilla organization in El Salvador. [*The American Spectator*, August 1992]
- Also in 1988, Hillary Clinton "lavished \$20,000 on the Christic Institute, the far-left crackpots who flacked the 'secret team' theory, alleging a massive, 20-year conspiracy by CIA and Special Forces operatives to do everything from run a heroin ring out of Indochina in the sixties to topple the Sandinistas in the eighties." [*The American Spectator*, August 1992]

THE WHITE HOUSE

Office of the Press Secretary
(Madrid, Spain)

For Immediate Release

October 30, 1991

REMARKS BY THE PRESIDENT
AT OPENING SESSION OF THE
MIDDLE EAST PEACE CONFERENCE

Salon de las Columnas
Royal Palace
Madrid, Spain

10:38 A.M. (L)

THE PRESIDENT: Prime Minister Gonzalez, and President Gorbachev, Excellencies. Let me begin by thanking the government of Spain for hosting this historic gathering. With short notice, the Spanish people and their leaders stepped forward to make available this magnificent setting. Let us hope that this conference of Madrid will mark the beginning of a new chapter in the history of the Middle East.

I also want to express at the outset my pleasure at the presence of our fellow co-sponsor, President Gorbachev. At a time of momentous challenges at home, President Gorbachev and his senior associates have demonstrated their intent to engage the Soviet Union as a force for positive change in the Middle East. This sends a powerful signal to all those who long for peace.

We come to Madrid on a mission of hope -- to begin work on a just, lasting and comprehensive settlement to the conflict in the Middle East. We come here to seek peace for a part of the world that in the long memory of man has known far too much hatred, anguish and war. I can think of no endeavor more worthy -- or more necessary.

Our objective must be clear and straightforward. It is not simply to end the state of war in the Middle East and replace it with a state of nonbelligerency. This is not enough; this would not last. Rather, we seek peace, real peace. And by real peace I mean treaties. Security. Diplomatic relations.

MORE

Economic relations. Trade. Investment. Cultural Exchange.
Even tourism.

What we seek is a Middle East where vast resources are no longer devoted to armaments. A Middle East where young people no longer have to dedicate and, all too often, give their lives to combat. A Middle East no longer victimized by fear and terror. A Middle East where normal men and women lead normal lives.

Let no one mistake the magnitude of this challenge. The struggle we seek to end has a long and painful history. Every life lost -- every outrage, every act of violence -- is etched deep in the hearts and history of the people of this region. Theirs is a history that weighs heavily against hope. And yet, history need not be man's master.

I expect that some will say that what I am suggesting is impossible. But think back. Who back in 1945 would have thought that France and Germany, bitter rivals for nearly a century, would become allies in the aftermath of World War II? And who two years ago would have predicted that the Berlin Wall would come down? And who in the early 1960s would have believed that the Cold War would come to a peaceful end, replaced by cooperation -- exemplified by the fact that the United States and the Soviet Union are here today -- not as rivals, but as partners, as Prime Minister Gonzalez pointed out.

No, peace in the Middle East need not be a dream. Peace is possible. The Egyptian-Israeli Peace Treaty is striking proof that former adversaries can make and sustain peace. And moreover, parties in the Middle East have respected agreements, not only in the Sinai, but on the Golan Heights as well.

The fact that we are all gathered here today for the first time attests to a new potential for peace. Each of us has taken an important step toward real peace by meeting here in Madrid. All the formulas on paper, all the pious declarations in the world won't bring peace if there is no practical mechanism for moving ahead.

Peace will only come as the result of direct negotiations, compromise, give-and-take. Peace cannot be imposed from the outside by the United States or anyone else. While we will continue to do everything possible to help the parties overcome obstacles, peace must come from within.

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We come here to Madrid as realists. We do not expect peace to be negotiated in a day, or a week, or a month, or even a year. It will take time; indeed, it should take time -- time for parties so long at war to learn to talk to one another, to listen to one another. Time to heal old wounds and build trust. In this quest, time need not be the enemy of progress.

What we envision is a process of direct negotiations proceeding along two tracks, one between Israel and the Arab states; the other between Israel and the Palestinians. Negotiations are to be conducted on the basis of U.N. Security Council Resolutions 242 and 338.

The real work will not happen here in the plenary session, but in direct bilateral negotiations. This conference cannot impose a settlement on the participants or veto agreements; and just as important, the conference can only be reconvened with the consent of every participant. Progress is in the hands of the parties who must live with the consequences.

Soon after the bilateral talks commence, parties will convene as well to organize multilateral negotiations. These will focus on issues that cross national boundaries and are common to the region: arms control, water, refugee concerns, economic development. Progress in these fora is not intended as a substitute for what must be decided in the bilateral talks; to the contrary, progress in the multilateral issues can help create an atmosphere in which long-standing bilateral disputes can more easily be settled.

For Israel and the Palestinians, a framework already exists for diplomacy. Negotiations will be conducted in phases, beginning with talks on interim self-government arrangements. We aim to reach agreement within one year. And once agreed, interim self-government arrangements will last for five years; beginning the third year, negotiations will commence on permanent status. No one can say with any precision what the end result will be; in our view, something must be developed, something acceptable to Israel, the Palestinians and Jordan, that gives the Palestinian people meaningful control over their own lives and fate and provides for the acceptance and security of Israel.

We can all appreciate that both Israelis and Palestinians are worried about compromise, worried about compromising even the smallest point for fear it becomes a precedent for what really matters. But no one should avoid compromise on interim arrangements for a simple reason: nothing agreed to now will prejudice permanent status negotiations. To

MORE

the contrary, these subsequent negotiations will be determined on their own merits.

Peace cannot depend upon promises alone. Real peace -- lasting peace -- must be based upon security for all states and peoples, including Israel. For too long the Israeli people have lived in fear, surrounded by an unaccepting Arab world. Now is the ideal moment for the Arab world to demonstrate that attitudes have changed, that the Arab world is willing to live in peace with Israel and make allowances for Israel's reasonable security needs.

We know that peace must also be based on fairness. In the absence of fairness, there will be no legitimacy -- no stability. This applies above all to the Palestinian people, many of whom have known turmoil and frustration above all else. Israel now has an opportunity to demonstrate that it is willing to enter into a new relationship with its Palestinian neighbors; one predicated upon mutual respect and cooperation.

Throughout the Middle East, we seek a stable and enduring settlement. We've not defined what this means; indeed, I make these points with no map showing where the final borders are to be drawn. Nevertheless, we believe territorial compromise is essential for peace. Boundaries should reflect the quality of both security and political arrangements. The United States is prepared to accept whatever the parties themselves find acceptable. What we seek, as I said on March 6, is a solution said on March 6, that meets the twin tests of fairness and security.

I know -- I expect we all know -- that these negotiations will not be easy. I know, too, that these negotiations will not be smooth. There will be disagreement and criticism, setbacks -- who knows -- possibly interruptions. Negotiation and compromise are always painful. Success will escape us if we focus solely upon what is being given up.

We must fix our vision on what real peace would bring. Peace, after all, means not just avoiding war and the costs of preparing for it. The Middle East is blessed with great resources: physical, financial and, yes, above all, human. New opportunities are within reach -- if we only have the vision to embrace them.

To succeed, we must recognize that peace is in the interest of all parties -- war, absolute advantage of none. The

MORE

alternative to peace in the Middle East is a future of violence and waste and tragedy. In any future war lurks the danger of weapons of mass destruction. As we learned in the Gulf war, modern arsenals make it possible to attack urban areas -- to put the lives of innocent men, women and children at risk, to transform city streets, schools and children's playgrounds into battlefields.

Today, we can decide to take a different path to the future -- to avoid conflict. I call upon all parties to avoid unilateral acts, be they words or deeds, that would invite retaliation or, worse yet, prejudice or even threaten this process itself. I call upon all parties to consider taking measures that will bolster mutual confidence and trust -- steps that signal a sincere commitment to reconciliation.

I want to say something about the role of the United States of America. We played an active role in making this conference possible; both the Secretary of State, Jim Baker, and I will play an active role in helping the process succeed. Toward this end, we've provided written assurances to Israel, to Syria, to Jordan, Lebanon and the Palestinians. In the spirit of openness and honesty, we will brief all parties on the assurances that we have provided to the other. We're prepared to extend guarantees, provide technology and support, if that is what peace requires. And we will call upon our friends and allies in Europe and in Asia to join with us in providing resources so that peace and prosperity go hand in hand.

Outsiders can assist, but in the end, it is up to the peoples and governments of the Middle East to shape the future of the Middle East. It is their opportunity and it is their responsibility to do all that they can to take advantage of this gathering, this historic gathering, and what it symbolizes and what it promises.

No one should assume that the opportunity before us to make peace will remain if we fail to seize the moment. Ironically, this is an opportunity born of war -- the destruction of past wars, the fear of future wars. The time has come to put an end to war -- the time has come to choose peace.

Speaking for the American people, I want to reaffirm that the United States is prepared to facilitate the search for peace, to be a catalyst, as we've been in the past and as we've been very recently. We seek only one thing, and this we seek not for ourselves, but for the peoples of the area and particularly

MORE

the children: that this and future generations of the Middle East may know the meaning and blessing of peace.

We have seen too many generations of children whose haunted eyes show only fear -- too many funerals for their brothers and sisters, the mothers and fathers who died too soon -- too much hatred, too little love. And if we cannot summon the courage to lay down the past for ourselves, let us resolve to do it for the children.

May God bless and guide the work of this conference, and may this conference set us on the path of peace. Thank you. (Applause.)

END

10:55 A.M. (L)

Speech Card
REASONS TO REELECT GEORGE BUSH

July 30, 1992

FOR INTERNAL USE ONLY

REASONS TO VOTE FOR GEORGE BUSH

LEADERSHIP

President Bush is a decorated war hero and a proven, experienced leader.

- George Bush is a decorated war hero — at the time, the youngest naval pilot in history.
- As a young businessman, George Bush took a risk, met a payroll, and co-founded a successful company, Zapata Petroleum.
- As a Houston congressman, George Bush demonstrated that "conservative" meant compassionate as he supported Open Housing legislation.
- As Republican National Committee Chairman, George Bush guided the Republican Party through its toughest days.
- As United Nations ambassador, George Bush faced down America's enemies in a hostile forum.
- As Liaison Officer to the People's Republic of China, George Bush handled the new and fragile relations between two powerful and fundamentally different nations.
- As Director of the Central Intelligence Agency, George Bush helped rebuild a demoralized agency while strengthening American intelligence capabilities.
- As Vice President, George Bush:
 - Faced down El Salvadoran death squads.
 - Was intimately involved in securing placement of the Pershing II Missiles in Europe.
 - Headed the South Florida Task Force and the Administration's efforts to reform burdensome regulations.

President Bush is preparing America for the 21st century.

- His continued leadership means jobs and stronger, more prosperous families secure in their communities and in the world.

A vote for President Bush is a vote for traditional family values.

- President Bush shares the traditional family values Americans hold dear.
 - He believes in safe crime-free neighborhoods and the death penalty.
 - He recognizes the sanctity of human life and supports adoption as an alternative to abortion.
 - He is revitalizing education through *his America 2000* strategy to revitalize America's educational system through parental choice, local control and accountability, and schools that, while teaching the basics well, develop better, more productive methods of education.

President Bush's policies are helping us protect and nurture our families and raise our children well.

- He believes in traditional family values.
- His programs help our communities fight crime.
- His reforms are making our children the best-educated in the world — and our workers the most productive.

President Bush wants to empower people, not government.

- His programs offer hope, opportunity and jobs for all Americans, and empower people — not government — to make the important choices in life.

President Bush is the world's foremost statesman.

- He is leader of the world's only superpower.
- Unlike his opponent, he understands both the dangers and the opportunities of this world in which we live.

Thanks to President Bush, Americans are safer today.

- Because Presidents Reagan and Bush ended the Cold War, we no longer live in fear of nuclear war — and more of the world's people are free today than at any time in history.

JOBS AND THE ECONOMY

A vote for President Bush is a vote for prosperity.

- Thanks to President Bush's policies, inflation and interest rates are at their lowest levels in more than two decades. Consumer-based inflation was only 3.1 percent in 1991 — the second lowest rate since 1967 — and is expected to be even lower this year.

President Bush will hold the line on new taxes. Clinton will not.

- *President Bush learned that Congress cannot be trusted to honor its word.* Last March, the Democrat leadership reneged on their promise and tried again to raise taxes. President Bush stopped them dead in their tracks with a veto.

A more prosperous America — the Misery Index cut in half

- When the Democrats last controlled the White House, the Misery Index (inflation rate + unemployment rate) was 20.5. Last year, it was only 10.8.

A vote for President Bush is a vote for more jobs.

- More than 600,000 new jobs will be created this year because President Bush forced Congress to pass the \$151-billion 1991 Surface Transportation Act to build and repair highways, roads and bridges.
- More than 500,000 new jobs will be created if Congress enacts President Bush's economic growth plan, which includes a cut in the capital gains tax and an investment tax allowance.

A vote for President Bush is a vote for free trade and jobs.

- President Bush believes open markets and free trade mean jobs for American workers.
 - Jobs related to international trade have grown three times as much as those created at home.
- The President believes protectionist policies would take America back to the dark days of Smoot-Hawley, which deepened and lengthened the Great Depression of the 1930s.
- Thanks to President Bush's leadership, America regained its title as the world's leading exporter of goods and services, exceeding both Germany and Japan.
 - In 1991, America sold \$422 billion in merchandise to foreign markets, an all-time high and \$28 billion more than the previous year.

- Exports accounted for nearly 70 percent of America's economic growth between 1988 and 1990.
- President Bush is breaking down barriers to international trade with Canada and Mexico. He wants to create hundreds of thousands of new export-related jobs through a North Atlantic Free Trade Agreement (NAFTA).

Thanks to President Bush, the American farm economy is strong.

- Debts are down, assets up. The future is bright.
- Over the last three years, the value of American farm exports has been at the highest level in nearly a decade, the second-highest in history.
- Forecasts are that American farm exports in fiscal 1992 will rise \$1.5 billion over fiscal 1991 levels.
- The successful conclusion of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) is the President's Number One trade priority, with agriculture as a critical component.

President Bush fights excessive regulation.

- President Bush spurred economic growth and created new jobs through a seven-month halt on new federal regulations, which in the first three months alone saved consumers as much as \$20 billion — up to \$300 a year for the average American family — and is helping small businesses to grow and create new jobs without sacrificing health and safety.
- Is saving lives and billions of dollars by accelerating the approval process to make "breakthrough" drugs available sooner to patients with life-threatening and serious illnesses, such as AIDS, Alzheimer's disease, depression and cystic fibrosis.
- Is pressing for sweeping reform of the civil justice system to ease the enormous costs and burden of litigation in federal courts.
- President Bush's initiative will lower litigation costs and discourage frivolous lawsuits, all of which result in a hidden "lawyer's tax" passed on to consumers.

STRONG FAMILIES, SECURE COMMUNITIES

A vote for President Bush is a vote for revitalized education.

- George Bush is the education President.
 - He is investing in America's children because they are the future of this country. Education is our best anti-poverty program, our strongest defense program, and our most effective trade program.
 - President Bush's *America 2000* education strategy has been embraced by more than 1,100 communities in 43 states.
 - The key to President Bush's *America 2000* education strategy is parental choice — parents sending their children to public, private or religious schools of their own choosing.
 - President Bush proposed a "GI Bill for Children" — \$1,000 *scholarships in parents' hands* to make choice real for half a million kids just as the World War II GI Bill helped veterans attend colleges of their own choice.

President Bush is expanding Head Start program to record levels.

- President Bush doubled funds for Head Start and is proposing the largest increase in the program's history — \$600 million for fiscal 1993 over the present \$2.2 billion budget — to help a total of 780,000 needy children.

President Bush is tough on crime.

- President Bush is demanding that Congress pass his anti-crime bill for a federal death penalty for heinous crimes; reform of *habeas corpus* to reduce repetitive and trivial appeals that delay justice by clogging the courts; and reform of the exclusionary rule so criminals can no longer escape justice through legal loopholes.
- President Bush believes a prison term must be determined by the severity of the crime, not by the availability of prison space.
- President Bush fought for a new law stiffening punishment for criminals who use guns in committing crimes.

- President Bush won a landmark Supreme Court victory that now permits the family of a murder victim to testify before sentencing about the impact of the crime on them.

President Bush is winning the war on drugs.

- President Bush's National Drug Control Strategy - interdiction, enforcement, prevention, education, treatment and international efforts - has cut overall drug use by 13 percent for all Americans, and by 27 percent for adolescents, the most important group in the fight against drugs.
 - "Occasional" cocaine use has dropped by 29 percent, and adolescent cocaine use fell by more than 60 percent. [Source: Office of National Drug Control Policy]

President Bush's environmental record is second to none.

In the Bush presidency, environmental protection is stronger than ever. Whether measured by cleaner air or tougher enforcement, President Bush is at the forefront of the toughest environmental laws in the world.

President Bush believes that environmental laws must be aggressively enforced and that polluters must pay for the damage they do to our environment.

- **Clean Air Act.** President Bush proposed and fought successfully for the first major rewrite of the Clean Air Act, which had been stalled in Congress for 13 years. It will cut toxic air pollution by 90 percent, reduce acid rain by half, and reduce urban smog.
- **Protected ozone layer.** President Bush led the world to an international agreement to phase out by the year 2000 substances that harm the ozone layer of the atmosphere.
- **Banned off-shore drilling in sensitive areas.** President Bush ordered a moratorium until after the year 2000 on off-shore oil and natural gas drilling for 99 percent of California's coast and the entire coasts of southern Florida, New England, Washington and Oregon.
- **Saved American jobs at Rio summit.** President Bush saved thousands of American jobs by refusing to sign the biodiversity treaty because it would have harmed America's fast growing biotechnology industry. He also refused to agree to binding targets and timetables on carbon dioxide emissions which would have required higher taxes on fossil fuels.

A vote for President Bush is a vote for equal opportunity, not quotas.

- President Bush has worked personally to ensure all Americans have the chance to achieve their full potential.
 - As a young man, George Bush walked door-to-door to collect donations for the United Negro College Fund.
 - As a Congressman, he faced down angry constituents and threats to his life over his support of the 1968 Fair Housing Act.
- In 1990, President Bush vetoed a bill that would have forced the use of hiring quotas. In 1991, he fought proposals that would have forced employers to adopt quotas to avoid lawsuits.
- Under President Bush's leadership, the Americans with Disabilities Act was proposed, passed and signed into law, extending to 43 million disabled Americans the same protection, independence, and opportunity enjoyed by all other Americans.

President Bush will reform Congress.

- President Bush wants to limit the terms a member of Congress may serve to two in the Senate and six in the House of Representatives.
- The Democrats have controlled longer than Fidel Castro has controlled Cuba -- and both have got to go.

President Bush is fighting for affordable health care for all Americans.

President Bush believes all Americans should be able to purchase basic affordable health insurance through a comprehensive, market-based reform that builds on the strengths of our current system.

The President believes that health-care reform must preserve our system's strengths while correcting its weaknesses and strengthening its incentives for choice, quality and innovation.

President Bush's plan would:

- Make 95 million low- and moderate-income Americans eligible for health insurance coverage.

- Create a transferable health insurance tax credit (certificate) available even to those too poor to file taxes — and large enough to buy a basic health package (\$3,750 for a family).
- Give self-employed workers a full, 100-percent tax deduction for the cost of their health insurance.

President Bush is committed to women's health.

- President Bush increased funding for the prevention of breast and cervical cancer by 24 percent in fiscal 1993 — to a record \$515 million.
- The Bush Administration expanded Medicare to help pay for mammograms. About 5.3 million women are expected to receive these benefits in fiscal 1992.

President Bush is committed to finding an AIDS cure.

- President Bush believes the 1 million Americans infected with Human Immunodeficiency Virus (HIV) deserve care in their times of need and the best our biomedical research can produce. Education and prudence are needed to avoid infection. Those not infected should show compassion for those who are.
- President Bush proposes to spend \$1.2 billion on AIDS research in fiscal 1993 — a 39-percent increase since he took office. More money is being committed to AIDS research than for any disease other than cancer.

A SECURE AMERICA IN A STILL-DANGEROUS WORLD

A vote for President Bush is a vote for security in a still-dangerous world.

- After nine years of negotiations, President Bush signed the historic Strategic Arms Reduction Treaty (START), which cuts the most destabilizing long-range Soviet nuclear warheads in half.
- Building on START, President Bush achieved the most significant arms reduction agreement in history, ending the nuclear nightmare for ourselves and our children.

A vote for President Bush is a vote for against aggression.

- In Operation Desert Storm, President Bush forged an unprecedented international coalition to battle tyranny in the Persian Gulf, proving that naked aggression will not stand. Shaped alliances among both allies and former antagonists to defeat the Iraqi army in a 100-hour land war.

- President Bush made us proud to be Americans.
Showed America's "can do" spirit.

A vote for President Bush brings the Middle East closer to peace.

- President Bush brought about the first face-to-face talks ever held between Israel and all its Arab neighbors.
- President Bush led the repeal of the United Nations resolution equating Zionism with racism.

A vote for President Bush is a vote for democracy.

- With *Operation Just Cause*, President Bush restored democracy to Panamá by capturing and convicting dictator Manuel Noriega for international drug trafficking.

Speech Card
REASONS TO DEFEAT BILL CLINTON

July 30, 1992

FOR INTERNAL USE ONLY

WHY CLINTON SHOULD BE DEFEATED

Clinton is a failed governor from a small state.

He is a "tax and spend" ultra-liberal.

He has no experience in foreign policy — and he would decimate our national defenses.

His regulatory policies would destroy jobs and businesses.

His environmental record in Arkansas is abysmal.

On social policies, he is out of step with all but the extreme liberals in his party.

"I have a hunch," said George McGovern, the Democrats' radical 1972 presidential nominee, "that [Clinton and Gore] are much more liberal underneath and will prove it when they're elected." [*The New York Times*, 7/14/92]

JOBS AND THE ECONOMY

Clinton raised Arkansas' taxes and fees 128 times.

- Clinton fought to maintain a sales tax on groceries.

Clinton sees inflation as a tax advantage for state financing.

Clinton's economic plan would mean higher taxes, more spending, fewer jobs.

- Clinton's campaign platform calls for tax increases almost twice as large as those proposed by Walter Mondale and Michael Dukakis combined.
- Clinton also favors federal spending increases almost three times as large as those proposed by Mondale and Dukakis combined.
 - Clinton promises to raise \$154 billion in new taxes and spend \$220 billion.
 - By contrast, Mondale and Dukakis combined promised to raise \$85 billion in taxes and spend \$76 billion.

Clinton would raise taxes on individuals.

- Clinton wants a new top marginal income tax rate 16 percent over the current rate — from 31 to 36 percent.

Clinton opposes President Bush's proposal to help first-time homebuyers with a \$5,000 tax credit.

With Clinton as governor, Arkansas farm income has been meager.

- Arkansas real net farm income between 1984 and 1987 grew a mere 4 percent, only a sixth of the national growth rate of 24 percent.

Clinton would create a massive tax increase to pay for health care.

- Clinton's health-care plan is essentially the Democratic Congress' "pay or play" concept, imposing huge new costs on small businesses, ultimately costing jobs. The Joint Economic Committee (JEC) estimates that the first-year costs of a program could be as high as \$88 billion, with \$42 billion in employer costs.

Working Americans would lose pay and jobs to finance Clinton's health-care plan.

- At least 9 million Americans could lose wages or benefits — or lose their jobs entirely — because of the increased costs Clinton's plan would place on employers.

Clinton's would impose job-crunching regulatory monsters on American taxpayers.

- A 1.5-percent payroll tax to pay for a new national training trust fund.
- An 7-percent payroll tax for mandatory national health care.
- A mandatory increase to 45 miles a gallon in Corporate Average Fuel Economy (CAFE) standards.
- Cost and price controls on health care providers, health insurers and drug companies.

Clinton would let foreign bureaucrats regulate U.S. economy.

- Clinton said he would have "proudly" signed the various Rio Earth Summit treaties and other documents, which would force America's most internationally competitive companies to surrender valuable patents and "intellectual" property.

Clinton endangers public pension funds.

- Clinton would tap both private and public pension funds to finance "pork barrel" public works projects he proposes — diverting dollars now available for job-creating small business investment.

Clinton imperils future jobs.

- Clinton's mandatory national health care scheme would cost more than 712,740 jobs.

Clinton supports centralized industrial policy.

- Clinton advocates creation of a new research and development bureaucracy to pick economic winners and losers.

Clinton opposes tort reform.

- He supports the status quo for trial lawyers.

Clinton opposes the Balanced Budget Amendment to the Constitution.

Clinton flip-flops on free-trade pact with Mexico.

- Clinton endorsed U.S.-Mexico "fast track" negotiating authority, but now embraces the protectionist lead of House Democrat leader Dick Gephardt on the negotiations.

Clinton is a protectionist.

- In 1985, made two pleas for protectionist intervention.
 - Clinton urged President Reagan to place quotas on imported footwear.
 - Clinton urged Arkansas' congressional delegation to back a "fiercely protectionist" textile bill.

DOMESTIC ISSUES

Clinton practices revolving-door justice.

- Very few Arkansas prisoners serve full sentences. According to The Associated Press, a 1991 state study found that most served only between 6 and 18 months even though their sentences were much longer than that.

Clinton has a failed prison furlough program.

- Clinton has suspended Arkansas' prison furlough program — but only after a convicted contract murderer on furlough from an Arkansas prison hijacked an airplane and fled.

Under Clinton, Arkansas' violent crime nearly doubled in the last decade.

Clinton goes easy on drug criminals.

- In May 1985, Clinton refused to grant the extradition of a Little Rock native to New York on felony cocaine charges, saying that New York's mandatory sentencing for first time offenders was too harsh.

Under Clinton, Arkansas has the lowest spending on crime control.

- With Clinton as governor, Arkansas ranked at or near the bottom among the 50 states in terms of state funds spent on its justice system.

Mrs. Clinton, not the governor, interviews Arkansas judicial candidates.

- Arkansas attorneys predict she would do the same should her husband become president.

Gore, too, is soft on crime.

- Gore is the most liberal southern senator. He has voted against the death penalty, in favor of gun control, against a ban on flag burning, and against a ban on federal funding of obscenity.
- In 1990, *The National Journal* rated Gore 81 percent liberal and 0 percent conservative on social issues.

Clinton's "health care" program would be a costly bureaucratic nightmare.

- Clinton wants to establish a large health entitlement program and impose Draconian price controls on doctors and hospitals.

Clinton is no friend of working Americans.

- Clinton has tried to attract new business to Arkansas by publicly advertising it as a low wages and lack regulation state.
- "The National Safe Workplace Institute ranks Arkansas last among the states in workplace safety. The Southern Labor Institute ranked Arkansas 49th in overall climate for workers." [The National Safe Workplace Institute, Basic Information on Workplace Safety and Health, January, 1992]

Clinton's and Gore's radical environmental standards could cost American workers as many as 300,000 jobs.

- Clinton and Gore want to make a CAFE (corporate average fuel economy) standard of 45-miles-per-gallon fuel mandatory — forcing the American auto industry to produce smaller, lighter cars less protective in accidents and regardless of consumer preferences.

Clinton opposes education vouchers for religious schools.

- Clinton opposes President Bush's proposal to empower parents to choose the schools their children attend — public, private or religious.
- Clinton opposes a constitutional amendment to allow voluntary school prayer.

Clinton would not reform Congress.

- Clinton opposes congressional term limits.

Clinton's health-care record is disastrous for Arkansans.

- Arkansas ranks at or near the bottom among the states:
 - 49th in death rates of children.
 - 45th in babies born with low birth weight.
 - 47th in the violent death rate for teens.
 - 47th in births to single teens.
 - 45th in the well-being of children (down from 43rd last year).

Clinton has a failed education record.

- Under Clinton, Arkansas ranks:
 - 49th in teacher pay.
 - 47th in per capita state and local spending for education.
 - 43rd in per capita spending for higher education.
 - 5th highest in the rate of adult illiteracy.
- When Arkansas' high school graduates get to college, three out of every four require remedial classes — twice the national average.

SOCIAL POLICY

Clinton favors abortion on demand, endorses the Freedom of Choice Act, and supports repeal of the Hyde Amendment.

- Clinton is an ultra-liberal on social issues affecting traditional family values.
- Clinton supports a pro-abortion "litmus test" for judicial nominees.
- Clinton supports routine condom distribution to school children.
- "Clinton opposes parental and spousal consent laws as well as federal parental notification requirements."

Clinton has failed to address his own state's urban problems.

- Clinton's own administration admits that Arkansas has the nation's highest teen pregnancy rates among blacks and second highest among whites.
- Arkansas ranked 34th in infant mortality in 1989.

With Clinton as its governor, Arkansas is:

- One of only two states without a civil rights law.
- One of only nine states without a law banning housing discrimination.

Clinton supports quotas.

- Clinton's Democratic Leadership Council endorsed an anti-quota resolution at its 1991 convention — *BUT* Clinton that same year signed Arkansas Acts 1163 and 1164 specifically mandating racial quotas for teachers/administrators and appointments to a state board. [DLC source: *The New American Choice*, 5/7/91]
- Only after Clinton began testing the waters for a presidential campaign last year — and the issue of "race-norming" tests gained national attention — did Clinton end Arkansas' use of the practice in filling state jobs.

In Clinton's Arkansas, some people are more equal than others.

- Clinton endorsed the Equal Rights Amendment — but he has never signed a civil rights law in Arkansas. There is none.

FOREIGN POLICY AND DEFENSE ISSUES

Clinton has no credible experience in either defense or foreign policy.

- Clinton's only hands-on experience was as an intern nearly 25 years ago on the staff of Arkansas Senator J. William Fulbright, a leader of the anti-Vietnam War movement.

Clinton would decimate America's defenses.

- Clinton plans to cut the defense budget by more than one-third (\$100 billion) — cuts twice as deep as those proposed by President Bush.

Clinton waffled on the most important national security issue in years.

- Clinton talked out of both sides of his mouth on whether to kick Saddam Hussein's Iraqi army out of Kuwait.

Could Clinton — as a commander-in-chief who ducked the Vietnam War draft — ever call on young men and women to defend their country?

- During the Vietnam War, Clinton cleverly rigged it so he would not be drafted. He let others go into combat in his place.