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OFFICE OF THE VICE PRESIDENT

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Embargoed until delivered -- 1:00 PM CDT, July 13, 1990

PREPARED TEXT OF REMARKS BY THE VICE PRESIDENT

THE REPUBLICAN NATIONAL COMMITTEE MEETING  
Chicago, Illinois

Thank you very much, Jeannie Austin. It's great to be here at the RNC meeting.

Let me begin with a few simple truths. I am proud to be here with you today. I am proud to be a Republican. I am proud to be George Bush's Vice President, and I am proud to be here to tell you that the Republican Party is truly the party of the future.

You know, I will always have a special place in my heart for the RNC. I talked to you the day after George Bush named me to be his Vice President. As a matter of fact, you were the first group I talked to after my graceful and noncontroversial entrance into national politics.

Remember New Orleans? -- August, 1988? I do -- vaguely. We went into New Orleans about 17 points down. Thanks to you and lots of others, George Bush won forty states and the Presidency.

That was 1988. Now let's pledge ourselves to complete the unfinished political business of the past decade: and that's to give President Bush a partner in Congress -- rather than a Congress that refuses to advance the George Bush agenda.

Before I turn to the challenges facing us, let me once again congratulate Jeannie Austin, Mary Matalin, Larry Bathgate and the whole RNC team for your outstanding work and dedication. I also want to pay special tribute to our terrific national chairman, Lee Atwater, who I know has talked to many of you this past week by phone.

When I spoke with Lee, I asked him if he had a message for me to deliver. He said: Win. Let's win big in November, and start the 90's off right. For one thing, let's start the 90's off by once again making Bob Dole Senate majority leader.

We've got the candidates to take back the Senate this year. Senator Don Nickles and the Senate Campaign Committee have done a great job in candidate recruitment. We have six Congressmen, a Lieutenant Governor and several other strong candidates going after incumbent Democrats. Meanwhile, the Democrats have not been able to get any of their House members to challenge our Senate incumbents. The reason our people are taking the risk is that they feel the Republicans can win, and that a majority is within reach. We've got a good shot at picking up Senate seats in Rhode Island, Nebraska, Hawaii, Illinois, Iowa, Michigan, Alabama, Montana, and several other states.

With victories in six of these states, we would win control of the Senate. But, there is also the chance that we'll pick up 5 seats this fall, which would give us a 50-50 tie.

Let me tell you this: there is nothing that would make me happier than to spend the next 2 years of my life presiding over

the Senate, casting tie-breaking vote after tie-breaking vote to help put George Bush's agenda into action!

Now let's get down to the state of affairs in our nation. As you know, President Bush just completed two successful summits. The NATO Summit saw this President lead 16 European nations in an historic NATO meeting which, for the first time, produced a positive response from the Soviet Union. President Bush again drew on his foreign policy expertise, and achieved a new vision of NATO with the support of our Allies.

In his hometown, Houston, at the Economic Summit, we once again saw our President taking the lead and dealing successfully with important and controversial issues, like trade.

George Bush has established himself as the leader of the free world, and his respect and his prestige continue to grow throughout the world. His success should make us all feel proud.

His success is good for our nation, for our party, and for our party's agenda. For as many of you have heard me say before, as outstanding as our candidates are -- this fall's campaign is about more than individual candidates running against each other. This fall's campaign is truly a test of the national agenda for the 1990's. For there is a clear line that distinguishes Republicans from Democrats; and when voters recognize those differences, we win. So it's our job to make sure the voters know the differences. Let's start with the federal budget and the economy.

I say the budget and the economy, because if we are to reignite our economy, we have to reduce the federal budget deficit. We have got to reduce the deficit to get interest rates down, and we have got to get interest rates down in order to create opportunities, new jobs and a robust economy.

Our record speaks for itself. We Republicans are the party of economic growth. We have proven this with an unprecedented 92 months of peacetime economic expansion and the creation of some 20 million new jobs. That expansion did not happen by accident, or as a result of Democratic policies. It happened because of Reagan-Bush economic policies -- policies of deregulation, fostering entrepreneurship, fiscal responsibility -- and yes, emphatically and above all, low tax rates. Republicans know that low taxes are key to economic growth. We want American workers to be able to keep their hard-earned dollars at home. We are proud that, in the 1980's, under Republican Administrations, tax rates were cut, jobs were created and hope was reborn in America.

These results were produced by Presidential leadership, and once again, this President has taken the lead. The American people have given us a divided government. This means we have to negotiate with a Democratic Congress. To allow the deficit to balloon by waiving Gramm-Rudman would threaten the confidence of those savers and investors on whom economic growth depends. But applying Gramm-Rudman would result in automatic, across-the-board budget cuts of up to \$100 billion. These cuts would hit

programs that are critical to the Republican agenda for the 1990's -- programs like law enforcement and national security.

The President has acted responsibly. He has taken the first step -- in calling the budget summit. He has gone the extra mile -- in announcing his willingness to consider tax revenue increases. Now it is time for some action in return from the Democratic leadership in Congress.

Here is what we expect: we expect any budget agreement to preserve the single most important key to economic growth -- low taxes. The reaction of some Democrats to the President's June 26 announcement was a useful reminder of this fundamental difference between the two parties: the President reluctantly announced that he would consider tax revenue increases to get the negotiations going -- as one of six elements of a budget deal. But many Democrats made it clear that their first and only priority is to raise taxes. Well, raising taxes may be others' agenda, but the George Bush agenda is to reduce the budget deficit.

We don't have a budget deficit because Americans are taxed too little. We have a deficit because the government spends too much. During the 1980's, Congress increased federal spending by 30% in real dollars. As a matter of fact, this year alone the federal government will raise an additional \$70 billion without raising taxes. If Congress has proven anything in the Reagan and Bush years, it is that they will not voluntarily cut government spending. That is why the President has brought Congress to the

table -- to get a budget deal that will force Congress to control spending.

But cutting spending isn't enough. We also need real reform in the budget process, which is why the President insisted that budget reform be on the table, too.

The current situation is disgraceful. Earlier this year, when the President asked Congress to approve \$800 million in emergency supplemental spending to aid the fledgling democracies of Panama and Nicaragua, the Congress waited weeks to act. When they finally did, they added an extra, unrelated, three billion dollars in new spending, much of it for their own pet projects.

Ladies and gentlemen, these unchecked Congressional spending sprees have got to end. Congress isn't concerned about excessive federal spending. They have fought against the reforms that would give the President the power to limit needless government spending. It's time for Congress to give the President tools he needs, like the line item veto, so he can get the job done.

Finally, the President has said that "growth incentives" must be part of the budget negotiations -- and by that we mean real growth incentives, like the capital gains tax cut.

During the 1988 election, President Bush and I campaigned across the country to reduce the capital gains tax to 15%, because we believe that small businesses and risk-taking entrepreneurs are the motor of economic growth. Meanwhile, Governor Dukakis argued the case for income redistribution. The American people rejected that argument and gave us a resounding

mandate. But, today, nearly two years later, the Democrats' Congressional leadership has denied the voters' mandate. In fact, Congress' failure to pass the President's capital gains proposal last year is partly responsible for the current slowdown in economic growth. The fact is, ladies and gentlemen, contrary to what Democrats may believe, a tax cut -- the capital gains cut -- not a tax increase, is the single most important thing we could do for economic growth.

As I've said, the President is willing to go the extra mile in seeking to forge a budget agreement that would be good for America. He is even willing to consider tax revenue increases. But tax revenue increases will only be one element of a budget deal. Regardless of what some Democrats and pundits may think, these negotiations are not a one way street. We have put revenues on the table. Today, I call on the Congressional Democrats to come forth with their proposed spending cuts. Their silence on this issue -- as usual -- is deafening.

Let me assure you of this: this President will insist on a good deal -- one that is good for our economy and good for our country. He will not accept a bad deal. His position is simple: a good deal -- or no deal at all.

Ladies and gentlemen, time and time again, we have seen the effects of Democratic tax and spend policies in our states. In the past few months, we have seen leading Democrats reassert their old tax and spend policies. In January, New Jersey got a new Democratic governor. He had barely moved into the State

House when he raised taxes. The tax increase wasn't his last resort, it was his first. Across the Hudson, the Governor of New York applauded what the Governor of New Jersey had done. He said it was so good that the Governor of New Jersey should consider running for President.

Meanwhile, the Governor of New York was going for a tax increase himself. Never mind that, since 1983, New York's spending has grown more than twice as fast as the national average. Finally, a little further east lies the Commonwealth of Massachusetts. You all know what's happened there.

Friends, we cannot let the Democrats do to America what they have done to these states. Nor can we let the Democrats do to America in the Nineties what they did to us in the Seventies. Do I need to remind this audience of the Democrats' last performance in the White House -- 20% interest rates, 13% inflation, 7% unemployment? That's their legacy. Ours is: 20 million new jobs, 92 months of economic growth, and tax cuts for the American people.

Now let me turn briefly to some other issues that divide our two parties. Crime: our crime rate is too high. There are more crime victims each year than victims of traffic accidents. But most Democrats still think the death penalty doesn't work, and that the exclusionary rule does. We Republicans believe it's time to put tough laws on the books, more tough judges on the courts, and the rights of law-abiding citizens ahead of the rights of criminals.

The parties are also divided on education. Many Democrats say that all it takes to have better schools is to spend more tax dollars. We say: we all know money is important -- but it cannot make up for low standards; it cannot make up for bureaucratic dead wood; and it cannot make up for a lack of choice and competition. We Republicans stand for basic educational reform because we do not accept a 25% drop out rate for our high school students. We know a child without an education is a child without hope. We must get Congress to pass the President's education reforms, so we can have more accountability, more parental involvement, more choice in our school systems, and the best schools in the world once again.

The parties also differ on national defense. The Democrats want to slash our defense budget by billions. After all, they say, the Cold War is over -- no need to worry about national security any more.

We say -- the reason the Cold War is ending is because Ronald Reagan and George Bush worked to restore our national strength. We say that the "peace dividend" we've earned from our investment in security is peace itself, and we say that the freedom that has come to Eastern Europe and to Latin America is no accident. We invested in national security, and we now have freedom and democracy spreading throughout the world.

But the world remains a dangerous place. Fifteen nations will have ballistic missile capability by the end of the century -- yet the United States remains defenseless. And so, though

great gains have been made, we have got to continue to invest in national security and in new programs like SDI -- because a strong America is a safe America.

Since I've been Vice President, I have travelled to 42 states and 25 countries. I have seen first hand what the Republican dream is all about. It is about freedom, family and faith. These are the principles that bring us together -- and hold us together.

Many Americans take freedom for granted. Well, we shouldn't. I will never forget attending church in Panama City with President Endarra. People with tears in their eyes came up and embraced me. They said, "Thank you for giving us freedom; thank you George Bush." In Managua, Nicaragua, I represented our country when democracy triumphed, and I saw Mrs. Chamorro replace the communist Sandinistas. I saw how precious freedom is.

Here at home, where freedom is well established, our dream of the American family is being challenged as never before. 15 million children in America do not have a father at home. 25% of our children are born out of wedlock. Our families need to be strengthened.

As I travel to schools throughout the country, I am reminded again and again of the importance of a family, the importance of a mother, of a father in caring for a child. Too many of our children are neglected. We cannot and shall not neglect the American family. The family is the nucleus of our society. If we lose our families, we will never recover.

Finally, our faith brings us together -- our faith in God, our faith in our people, our faith in our great President. Faith is believing, and there are certain fundamental principles in which we must believe -- the principles that distinguish right from wrong, freedom from slavery.

My grandfather always told me, and he printed in his newspapers, something that is simple but true. He said, "America is great because America is free." That is what we believe.

Thank you and God bless you.

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## THE WHITE HOUSE

Office of the Press Secretary  
(London, England)

For Immediate Release

July 6, 1990

## NEWS CONFERENCE OF THE PRESIDENT

Queen Elizabeth II Conference Center  
London, England

12:18 P.M. (L)

**THE PRESIDENT:** I'd like to begin by thanking Prime Minister Margaret Thatcher for hosting this splendid meeting. And I want to express my appreciation also to Manfred Woerner not only for his kind remarks just now, but for his outstanding leadership in NATO and in this Alliance which is at a turning point in its history.

I'm pleased to announce that my colleagues and I have begun a major transformation of the North Atlantic Alliance, and we view it as an historic turning point. NATO has set a new path for peace. It's kept the peace for 40 years, and today charted a new course for stability and cooperation in Europe.

We, as you know, are issuing a document, the London Declaration, and it makes specific proposals and establishes directions for the future in four key areas. First, the London Declaration transforms our relationship with old adversaries. To those governments who confronted us in the Cold War, our Alliance extends the hand of friendship.

We reaffirm that we shall never be the first to use force against other states in Europe. And we propose a joint declaration between members of the Alliance and member states of the Warsaw Pact which other CSCE states could join in, making a solemn commitment to nonaggression. We say to President Gorbachev, come to NATO. We say to all the member states of the Warsaw Pact, come to NATO and establish regular diplomatic liaison with the Alliance.

And second, the London Declaration transforms the character of NATO's conventional defenses. We can start, and must start, by finishing the current CFE talks this year. Once CFE is signed, we would begin follow-on negotiations to adopt additional measures, including measures to limit manpower in Europe. With this goal in mind, a commitment will be given when the CFE treaty is signed concerning the manpower levels of the armed forces of a united Germany.

We will also seek in the '90s to achieve further far-reaching measures to limit the offensive capability of conventional armed forces. We'll change our strategy for a conventional defense. We agreed to move away from NATO's current strategy of forward defense to a reduced forward presence. We agreed, in addition, to make the principle of collective defense even more evident by organizing NATO troops into multinational corps.

And third, the London Declaration transforms NATO's nuclear strategy. For 23 years we've had a nuclear strategy called flexible response, developed to meet a danger of sudden overwhelming conventional attack. As that danger recedes, we've agreed to modify flexible response.

Nuclear deterrence has given us an unprecedented period of peace and it will remain fundamental to our strategy. But by reducing its reliance on nuclear weapons, NATO in the new Europe will adopt a new strategy making its nuclear forces truly weapons of

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last resort.

This new strategy will require different forces. We've decided that once negotiations begin on short-range nuclear forces, we are prepared to eliminate all NATO nuclear artillery shells from Europe in return for reciprocal action by the Soviet Union. We agreed that this review should report its conclusions as soon as possible.

And fourth, the London Declaration transforms the Alliance's vision for the CSCE and the structure for building a Europe whole and free. We know the CSCE process, bringing together North America and all of Europe, can provide a structure for Europe's continued political development. And that means new standards for free elections, the rule of law, economic liberty and environmental cooperation. And we agreed today on six initiatives to give life to CSCE's principles and realize its potential.

As you can see, the London Declaration will bring fundamental change to every aspect of the Alliance's work. This is indeed a day of renewal for the Atlantic Community. For more than 40 years we've looked for this day; a day when we have already moved beyond containment, with unity on this continent overcoming division. And now that day is here, and all peoples from the Atlantic to the Urals, from the Baltic to the Adriatic can share in its promise.

I'd be glad to take some questions. Helen.

Q Mr. President, with the end of the Cold War, the draw-down in forces, and eventual denuclearization of Europe, are you now ready to give some economic help, as other allies want, to include the Soviet Union and Eastern Europe so that they can get back on their feet, as we did after World War II with Germany and Japan --

THE PRESIDENT: Well, we have given substantial help to certain countries in Eastern Europe. I have had a discussion, not here at NATO, but with Mr. Gorbachev and others at different times, about support for the Soviet Union. We are most interested in helping them go forward with their reforms.

But there was no decision taken, certainly, to send money to the Soviet Union. I have some big problems with that one. I think the American people do. But there are ways that we can assist in this transformation, in this reform that is taking place in the Soviet Union.

Q Well, you're not opposed to other countries giving it?

THE PRESIDENT: If the Germans decide they want to do that, that's their business. But I have made very clear to those who have spoken to me about this that at this juncture we have some serious problems. And I've not been under any false colors about that at all.

Q President Gorbachev has imposed a two-year deadline on himself and the communist leaders for reversing their country's economic tailspin. Does your reluctance to give the Soviets any financial aid complicate his chances for success in meeting that deadline?

THE PRESIDENT: I hope not, because, as you know, not only have I spoken very fondly of and enthusiastically about what he's trying to do in terms of reform, but I've spoken about him personally and about our interest in seeing him succeed. And he's got some extraordinarily difficult problems, but I don't think our position on financial aid at this time should -- hopefully, it will not complicate his standing. He deserves support for this reform.

Q Do you view Western aid for the Soviet Union now as a subsidy for its military machine --

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THE PRESIDENT: I'll tell you, we've got some problems that I've been very frank with concerning the Soviets. And one of them is a great percentage of their GNP going into the military. Another is some regional problems that perhaps are unique to the United States, but things that concern me -- spending \$5 billion a year in Cuba, for example, to sustain a totalitarian regime that is highly critical of the Soviet Union from time to time. So we have some regional problems. We have some reform problems that should take place before financial support can be given. But perhaps there are ways that we can assist them as we go forward with credit or other matters before we go to direct government loans.

Q Mr. President, with the threat receding in the way your communique describes, do you think it's inevitable that at some point in the next few years the Europeans will decide it's better that American troops just go home? And what do you say to American taxpayers to convince them that it's worth continuing to pay the bill to have them in Europe?

THE PRESIDENT: I don't think the American troops will stay against the will of the host country. I don't want to see American forces deployed where American forces are not wanted. I don't want to see Soviet forces deployed where Soviet forces are not wanted. And I expect the same would be true of other nationalities' forces as well. But I don't foresee that day because I think the Alliance has spoken rather eloquently about the need for a common defense. And all the members of the Alliance are united in their view that a U.S. force presence in Europe is stabilizing and very, very important. So I don't see that day looming up on the horizon.

Q But do you fear that American taxpayers' support for that continuation might be eroding?

THE PRESIDENT: I see some attacks on this. And I think this NATO declaration should help in that regard. But I view it as my responsibility to make clear to the American taxpayer why it is in our interest to help keep the peace. And that's exactly what these forces are engaged in.

Q Mr. President, in light of the stress that's been placed here on the continued cohesion within this Alliance, sir, would it not be a major breach of that cohesion if a country like West Germany were to provide direct aid to the Soviet Union in light of the deep concerns which you have expressed about such aid from the West?

THE PRESIDENT: No. I don't feel that that's a breach of Alliance cohesion. The Germans have their own bilateral relationship with the Soviet Union, and it doesn't concern me one bit. I've not made one single effort to try to have the Germans look differently at that question.

Q Mr. President, would it not then be possible that aid from our ally, West Germany would at least, arguably or indirectly, flow to a country like Cuba?

THE PRESIDENT: Well, if you want to say that anything that goes to the Soviet Union facilitates aid to Cuba I suppose we could say the same about our trade. But that isn't -- I don't think that would be a fair charge to make against the Germans.

Q Tonight in an interview to be broadcast in the United States, Fang Lizhi, the recently released Chinese dissident, says you owe him a dinner. He couldn't make it to the one you threw in Beijing, and he would like to be invited to the White House for dinner. Would you do that? I have a follow-up.

THE PRESIDENT: Well he's here in this country. I thought he wanted to stay out of the public eye. I thought he himself said so. So you've got a little different information than that. We'll just defer the rest of your question. What's your follow-up?

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Q If I can follow-up. If you do meet him, he is going to complain that you have a double standard for human rights. That you have one standard for the Soviet Union where you complain about human rights violations or have in the past -- at least pre-Gorbachev -- and that you don't complain so much about human rights violations, you're not as tough with the Chinese. He complains about sending Brent Scowcroft and Larry Eagleburger, et cetera. What would you say to him?

THE PRESIDENT: I'd say that he's wrong. He's got a little time to wait here because we spoke out at the NAJ meeting, indeed, I think we took the lead at a meeting in Europe -- I guess it was the G-7 meeting, not NATO -- where we took the lead in expressing our joint indignation in terms of the abuses of human rights at Tiananmen Square. We've kept certain sanctions on China. I am heartened that Fang Lizhi is free and free now to say what's on his mind like this. So I would say that if he feels that way, he's simply not expressing the facts as they are. I don't agree with that. I notice some of my critics in the United States Congress say that, and I think they're just as wrong as they can be.

Q Mr. President, back to the declaration. You're inviting the Warsaw Pact countries to come to NATO as observers. What if they want to become members of NATO -- Hungary, for instance, or even Poland? Are you saying by inviting them to just be observers that you do not look favorably on them becoming full members?

THE PRESIDENT: I'm saying NATO views this as an open invitation, and who knows what will happen in terms of membership down the line? That's not in the cards right this minute. We're just coming out of an adversarial environment of varying -- I think there's varying degrees of enthusiasm for what you're talking about amongst the members of the Warsaw Pact at this juncture, so I'd say it's premature.

Q Would you oppose any country -- for instance, Hungary -- becoming a member of NATO?

THE PRESIDENT: Not forever. But at this juncture, I support the NATO doctrine.

Q Mr. President, in your communique you talk about nuclear weapons becoming truly weapons of last resort. You say the fundamental strategy of the Alliance is being transformed here. As part of this review, are you considering going back home and taking another look at some of the strategic nuclear modernization programs that you have supported -- looking at some of the very expensive weapons programs that some say should be a bonus, a part of the peace dividend?

THE PRESIDENT: Not as a result of anything that's transpired here in NATO, no. We are interested in strategic arms agreements with the Soviets. The Soviets, as we all know, have indeed modernized their forces. We're on the horns of a dilemma in that question, you might say, because we have not to the degree they have. But that was not a consideration here at NATO. Nor has anything transpired here that will make me go home with a different approach to strategic arms.

Q If I may follow up -- so you'll proceed across the board with strategic modernization? Your commitment to that --

THE PRESIDENT: Yes. I will proceed in negotiating with the Soviets to achieve a strategic arms agreement.

Q Mr. President, how much did threats to perestroika and reforms in the Soviet Union play in changes you've announced today at NATO?

THE PRESIDENT: You mean, what's going on at the Congress? None, in my view. I mean, I think what's contributed to

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the changes in our approach, NATO, are the changes that have taken place, particularly since our last meeting, in terms of Eastern Europe and in terms of the Soviets' willingness to withdraw forces, hopefully, through a CFE agreement. So I don't think anything was short -- that there was short-term thinking as a result of the debates that are going on in Moscow this very day.

Q Well, if I can follow up then, what kind of messages do the changes announced today send to Gorbachev?

THE PRESIDENT: They send to him that here's an alliance that is purely -- that you should view, Mr. Gorbachev, as defensive and not threatening. And please convince your military and others in the Soviet Union of this fact.

You see, from my discussions with Mr. Gorbachev and others I've had the feeling that they have viewed NATO as much more threatening to them than the way in which I've looked at NATO. But now as a result of the actions that we've taken here, I think it should be clear to the Soviet military, to Mr. Gorbachev, to his adversaries and to his friends inside the Soviet Union that NATO is changing. And to the degree they had seen it as a threat to their interests as their business, they should look at it not as a threat to their borders or to their people.

Anytime you sit down with people from the Soviet Union, they tell you of the fact that they lost from 20 million to 27 million lives. It's ingrained in them. They do it not as a defensive mechanism, but they do it because they feel very strongly about that. I hope that they will look at the changes that NATO has taken and say, well, if NATO had been a threat to us, it no longer is a threat to us. And then I hope we can go forward to further document that spirit by mutual agreements on arms control.

Q How are you going to communicate what's in this document to Mr. Gorbachev and the people there? Are you going to talk with him personally? Did the NATO leaders decide on some other method of communication with him to let him know what it means, what the communique means?

THE PRESIDENT: The NATO leaders have decided that the Secretary General will be going there, and that will be a very good face-to-face chance to discuss these matters. I believe our Secretary of State is meeting soon with Mr. Shevardnadze, and you can be sure the matters will be discussed then. And then, in all likelihood, I will discuss it personally by telephone with Mr. Gorbachev.

I think it's very important that the leader of the United States and the leader of the Soviet Union stay in touch. In fact, when he was here in Washington, we talked about more such contacts. So perhaps within the next couple of weeks I will be talking to him about what transpired. Because I want to make some of these points here again, particularly that they ought not to view NATO as a threat and certainly ought not to view it as a roadblock to progress in arms control or withdrawal of conventional forces or whatever it might be.

Q Mr. President, what kind of tangible response would you like to see from President Gorbachev now to this? And I'm thinking particularly of the issue of Germany and NATO.

THE PRESIDENT: In terms of the question of Germany and NATO, I would like to see the tangible response be an acceptance of the concept that a unified Germany in NATO is not only good, but that it certainly is no threat to them. And we've had long talks with Mr. Gorbachev about that. And perhaps this declaration will be a document that he can use to convince others that a unified Germany in NATO is in the interest of stability and world peace. So that would be -- I think that is probably the most important message. And then, I'd like to think that out of this he would feel more confident in going forward with arms control, bringing the two-plus-four talks to a conclusion, and there's a wide array of other things as well.

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Q Did the topic of the Middle East come up during your discussions in the margins of the NATO Summit? And can you comment on press reports which indicate you might be considering resuming your dialogue with the PLO? And what conditions would you attach to such a resumption?

THE PRESIDENT: The discussion of the Middle East in the NATO meetings did not come up. It may have been discussed in the corridors, but it was not a discussion in the meetings at all. And I didn't have discussions in a NATO context about the Middle East.

My position on the dialogue with the PLO is that one of the preconditions for discussion was a renunciation of terror. And I viewed the aborted attack on the shores of Israel by some Palestinian commandos as a terrorist act. So we didn't cancel, we suspended the talks with the PLO. And I would like to think that Mr. Arafat could some way bring his council not only to denounce the terror that that particular terrorist act, but also to take some action against the person that perpetrated it. And then I think we would certainly give rapid consideration to renewal of the dialogue. I happen to think the dialogue has been useful. I don't think Mr. Arafat particularly agrees with that and I'm quite confident that Mr. Shamir doesn't agree with that. But nevertheless, we have -- that's the view of the United States.

Q Mr. President, Mikhail Gorbachev is already under fire from conservatives for essentially giving away Eastern Europe. Are you at all concerned, sir, that by inviting him to speak to NATO you're further undermining him? And I have a follow-up.

THE PRESIDENT: No, I'm not -- not only do I think we're not undermining him, but I would think that would send a signal that NATO has no hostile intentions to the Soviet Union. So I would hope nobody at home would consider this an effort to undermine Mr. Gorbachev, nor would it be -- nor would it have the effect of undermining a man who has clearly tried to move forward, who has presided over the Soviet Union at a time when this fantastic change towards democracy and freedom has taken place in Eastern Europe. And you're seeing that same kind of quest for change -- democratic change and economic change -- inside the Soviet Union. So I don't think it would have the effect that the question suggests.

Q If he accepts your invitation, sir, will you attend that meeting, or would it be an occasion for some sort of a superpower summit?

THE PRESIDENT: It has -- the level of the Gorbachev meeting at NATO has not been determined. And I would be guided by what the other NATO members think is appropriate. But others have -- the level at which Mr. Gorbachev would speak to NATO has not been set. If it was a head of state level, why, of course, I would attend. Others have addressed NATO at varying levels.

Q Having attended quite a number of these things, these NATO conferences, I'd like to ask a question, Mr. President, that I asked -- Is this to some extent a celebration of the victory of NATO in the Cold War -- the Cold War is over and NATO has won? Or don't you believe it's the idea that NATO has won the Cold War?

THE PRESIDENT: Excuse me, back up now. I've tried to avoid code words. And the Cold War being over is something that I'd rather not comment on. I don't think we're dealing in terms of victory and defeat. We're dealing in terms of how do we stabilize and guarantee the peace and security of Europe. So to the degree a chief of state or head of government dwells on the kinds of rhetoric that you understandably ask about, I think it is counterproductive. Does that answer it?

Q Would you say that NATO has -- to a great extent caused Gorbachev to be -- that the whole change in Eastern Europe have to some extent been caused by what's been going on in Western

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Europe for the last 40 years?

THE PRESIDENT: I would say to some degree that the changes in Eastern Europe and in the Soviet Union have been because they have seen the success of market economies, they've seen a craving for freedom and democracy on the parts of people. And to the degree NATO countries contributed to that proper perception, so be it. I think -- I'd like to think that -- I'm convinced that NATO's solidarity during the last 40 years has guaranteed the peace for Europe. And when you look back at history, it is a long peace given some of the conflagrations on this continent. So I think NATO deserves a lot of credit.

But I think the yearning for freedom and democracy is pretty fundamental. NATO has nothing to do with the changes in our own Western Hemisphere and yet you're seeing now the emergence of democracies and you've seen the emergence of free people there. So it's fundamental -- people want democracy and freedom. But I think NATO's major contribution has been to keeping the peace and yet it has set an example that I think many in Eastern Europe now want to follow.

Q Mr. President, how do you square your concern over stability in Europe, which is the new purpose of NATO, with increasing signs of instability in the Soviet Union, particularly on the political and economic front? And what can you do to put those two pieces of the puzzle together?

THE PRESIDENT: A very good and very difficult question because, frankly, one thing we do is stay out of the internal affairs of the Soviet Union. I realize that some think that I'm not staying out of the internal affairs of the Soviet Union when I speak pleasantly about Mr. Gorbachev.

But I think they have to sort it out now. They have to decide what they want, how much of their gross national product ought to go into arms, whether the threat is much less than they have historically perceived and once they take that decision then we in the West will stand ready to work very cooperatively with them. But I think the next move, what I'm saying, is up to them. I think they have to make these determinations. And in the meantime, NATO having seen the changes that have taken place in Eastern Europe and the predicted changes in terms of force levels can go forward with what I think people will view as a historic document.

Excuse me, I did tell you I'd get over here.

Q Thank you very much. How conditional is the proposal to remove nuclear artillery from Europe? Are you actually saying that you will not do this unless the Soviet Union does likewise? Are you saying it should be part of negotiations, or are you actually merely inviting the Soviet Union to withdraw their nuclear artillery?

THE PRESIDENT: Well I'd certainly invite them to do it, and the document is fairly clear on that point, I think, that they are -- the withdrawal of nuclear artillery on the part of the West is conditioned on the withdrawal of Soviet nuclear artillery.

Q On paragraph 12, Manpower levels of United Germany. What happened to nonsingularization of Germany?

THE PRESIDENT: Well I don't see that as singularization. That was a question that had to be addressed anyway. And I think that you're going to see the United States addressing its force levels through CFE talks. So I would think that this is not what I have always thought of as singularization. Trying to single Germany out, for example, from not being a part of -- a united Germany from being a part of NATO. I think what it simply says is this question, at an appropriate time, will be addressed. And we are going forward, addressing ourselves now to U.S. force levels under our conventional force talks. So I don't see any contradiction in that.

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There was a guy on the aisle that I identified back there. No, I'm afraid it wasn't you, but right there, that had his hand up. Well, he's vanished. The guy in the open shirt here. Then I have to go. Go ahead, we'll get these two, and then I must -- I really have to take off.

Q Would you say that you are hoping that Gorbachev can convince other people that through this document that they do not have to fear NATO? Are you saying that some of the people in the Soviet Union are imposing this fear to NATO to Mr. Gorbachev, and who are these people? I have a follow-up question, please.

THE PRESIDENT: If I got the first part of it correctly, I think there's been a historic fear on the part of some about the West because of the Soviets' own history. I happen to believe that that fear has been misplaced all along. But to the degree people still have that fear and they look at this document, it would seem to be to be de minimus. I can't single out which people they are, but I think there has been a historic concern on the part of the Soviets because of their own history in -- certainly as recently as World War II with an enormous loss of life.

I think over the years, as we improve our relations, have improved our relations with the Soviet Union and, indeed, as they have changed, those fears have diminished. I think, given the new openness, the glasnost, I think they're going to diminish even more.

What was the follow-up?

Q How do you expect that Mr. Gorbachev can be helped in his present problems in the Soviet Union with this London Declaration?

THE PRESIDENT: I think he will say, look, NATO has indeed changed in response to the changes that have taken place in Eastern Europe. If I were him, I'd say I've been right. They're changing, and now I want to go forward with the United States and negotiate some more deals. I want to see us reform, I want to see us stop some of what we've been doing in various regions around the world that others view as detrimental to the interests of freedom and democracy. And so I would -- if I were him I would take a hard look at this document. I'd listen carefully to what he hears from Manfred Woerner when he goes there. And I would think he could say, we've been right to reach out as we have tried to do to the United States and indeed to improve relations with countries in Western Europe. They're changing. They have now changed their doctrine because of steps that I, Mr. Gorbachev, have taken. And I get on the offense. Then let the rest of us help him with some of his hardliners. And there's plenty of work to do.

But I would think that he would view this as a very positive step forward, and one that vindicates some of the moves that he's made over the past year or two.

Q Will he join NATO?

Q Mr. President, now that you've had time to digest Prime Minister Shamir's letter to you of last week, how does that letter leave you feeling? Does it leave you feeling, as Secretary Baker said, that maybe we should just leave him with the White House phone number and to call when he's serious, or does it leave you feeling you're ready now to get involved in a prolonged negotiation with him, once again spending another few months or years to try to modify his position?

THE PRESIDENT: It leaves me feeling we need further clarification in terms of the questions that I've put to him -- answers -- clarification on some of the answers. But, look, we want to see the peace process go forward. We had good talks with -- I did, and so did Jim Baker -- with the Egyptian Foreign Minister the other day. I've been on the phone to Mr. Mubarak, to King Hussein,

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to others. And we want to see the process go forward. We have the United States policy and we're going to stay with the policy in terms of settlements and other things of this question.

But we will do everything we can to encourage a discussion that will end up in peace. There has got to be talks, Palestinians have to attend these talks. And so the ground rules are out there and we've got to go forward. But we need more clarification and, very candidly, I'd like to think that Israel would now move forward again. And that's about where we stand.

Thank you very much.

Q What's wrong with your hand?

THE PRESIDENT: It's skewered. I was cleaning the mackerel and I plunged the knife into it. Minor wound. -

END

12:52 P.M. (L)

THE WHITE HOUSE  
Office of the Press Secretary  
(Houston, Texas)

For Immediate Release

July 9, 1990

REMARKS BY THE PRESIDENT  
AT ARRIVAL CEREMONY FOR ECONOMIC SUMMIT LEADERS

Academic Quadrangle  
Rice University  
Houston, Texas

2:13 P.M. CDT

THE PRESIDENT: Welcome to Houston. And we think this city is a very appropriate place to host this Economic Summit, not of the postwar era, but of the post-postwar era. Over the past decade and a half, the leaders of the largest industrialized democracies have held these summits to address common problems and challenges.

These economic summits have become framework for frank and constructive dialogue; a dialogue for progress that I believe will be advanced greatly in these next three days. And together we're called upon as allies and as friends to work toward decisions here in Houston that will bring a new stability and prosperity to the world, by tapping the power and energy of free wills and free markets.

A new world of freedom lays before us; hopeful, confident. A world where peace endures, where commerce has conscience and where all that seems possible is possible.

So let us begin in good faith to set the stage for the new millennium. Thank you for coming to Houston. And thank all who have made us feel so at home here. Thank you very much. (Applause.)

END

2:14 P.M. CDT

THE WHITE HOUSE

Office of the Press Secretary  
(Houston, Texas)

For Immediate Release

July 11, 1990

REMARKS BY THE PRESIDENT  
IN PRESENTING FINAL COMMUNIQUE

Assembly Hall  
George R. Brown Convention Center  
Houston, Texas

12:11 P.M. CDT

THE PRESIDENT: I would say to my distinguished colleagues that we've had a chance to review the declaration that was agreed this morning by the eight of us. And I first want to thank all of you for the spirit of full cooperation that I think we all agree existed here in this summit. The eight of us, representing the people of France, the United Kingdom, the Federal Republic of Germany, Canada, Italy, Japan, the United States and the European Communities all met. And our declaration reflects decisions taken during the past three days here in Houston to extend our long economic expansion, strengthen the world trading system, reiterate our support for the strengthened debt strategy, ensure open investment, assist reform in Central and Eastern Europe and the Soviet Union, safeguard the environment, help developing nations, and reduce the scourge of drugs.

On behalf of my colleagues, I'd like to note several points of particular importance to us, summarizing -- not reading in its entirety, but summarizing some key points out of this declaration.

We are enormously heartened by the resurgence of democracy throughout much of the world. We welcome the spread of multiparty democracy, the practice of free elections, the freedom of expression and assembly, the growing respect for human rights and the rule of law, and the increasing recognition of the strength of open and competitive economies. These events proclaim loudly man's inalienable rights: when people are free to choose, they choose freedom.

We, the G-7, are now in the eighth year of an economic expansion which has created millions of jobs, accelerated the growth of world trade, and provided tangible support for developing countries. The process of economic policy coordination, which we have developed over the years, has contributed importantly to this economic performance. However, we cannot rest on current accomplishments. Each of us will continue efforts, individually and together, to maintain and improve conditions for growth.

Economic prosperity depends critically on an open world trading system. And we will devote close personal attention in the months ahead to achieving a successful outcome of the Uruguay Round of Multilateral Trade Negotiations. We have given our trade negotiators clear instructions on our commitment to conclude a comprehensive agreement which expands trade worldwide, while bringing the greatest number of participants into a strengthened General Agreement on Tariffs and Trade -- the GATT. Each of us recognizes that reaching this goal will require difficult steps by all participants. We will not hesitate to take them. This is especially true for agriculture where we are committed by this declaration to provide the strong political leadership necessary to ensure a successful and enduring result.

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We agreed on the significance of the steps underway in the Soviet Union to liberalise and democratise its society and to move toward a market economy. We welcome President Gorbachev's message to us, in particular, his desire for a sustained economic dialogue with the West.

We want to support the reforms underway in the Soviet Union and all agree that technical assistance can help the Soviets move toward a market-oriented economy. Some of us are already prepared to extend large-scale credits to the Soviet Union. We all agree, however, all of us, that the Soviet Union could greatly improve the prospects for sustained Western assistance if it introduced further market reforms, cut its military spending and ceased supporting governments which promote regional conflicts. We also took note of the importance to the government of Japan of peaceful resolution of its dispute with the Soviet Union over the Northern Territories.

We see the need for a considered, comprehensive Western response in support of Soviet reform efforts. We've asked the major international economic institutions to provide us by year's end their recommendations for reform of the Soviet economy and possible criteria for Western assistance.

We are keenly aware of our responsibilities to pass on to the future generations a world environment whose health, beauty and economic potential are safeguarded. Environmental challenges such as climate change, ozone depletion, deforestation, marine pollution and the loss of biological diversity require closer and more effective international cooperation and action. We are united on the goals and measures to be taken now, particularly in relation to climate change and the protection of forests. And in this regard we have agreed to:

complete by 1992 the work of the IPCC on a framework convention on climate change;

to begin work immediately on developing a pilot project to address tropical deforestation in Brazil;

to commence negotiations -- this is the third point -- to commence negotiations on a global forest convention or agreement to curb deforestation, promote biodiversity, and encourage sound forestry practices and reforestation.

We recognize the difficult economic challenges facing many developing countries, including reduced growth and severe debt burdens. We have been in the forefront of addressing these problems and encouraged -- we are encouraged, by the progress that has been made under the international debt strategy over the past year. We have agreed to review options for helping those countries that are heavily indebted to our governments. Economic and political reform are essential for economic prosperity and political stability. For those countries undertaking these difficult steps, we offer our experience, resources and goodwill.

We leave Houston renewed by the strength of our common commitments to healthy economic growth and prosperity and freedom for peoples everywhere.

And in conclusion, we have accepted Prime Minister Thatcher's kind invitation to meet again next July in London. Again, my thanks to my colleagues. I think the plan is we now go and have our own opportunity to respond to questions from the press. But I want to thank my colleagues for what I, at least, feel has been a good summit. And we're very pleased you were here. And might I just take one more opportunity to thank the people of Houston for their hospitality.

Thank you all very much. (Applause.)

END

12:21 P.M. CDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 12, 1990

REMARKS BY THE PRESIDENT  
AT THE 30TH BIENNIAL CLERGY-LAITY BANQUET

Sheraton Ballroom  
Sheraton Washington Hotel  
Washington, D.C.

7:40 P.M. EDT

THE PRESIDENT: Thank you all very much. Who would have thought that I would be introduced by Peter Jennings before a beautiful evening like this? It's just wonderful. (Applause.) Ted, thank you very, very much. Barbara and I are delighted to be here this evening. When Ted said that a person we hold in such reverence, I was ready. You see, I'm used to it now. I thought he was talking about Barbara, not the All Holiness. (Laughter and applause.)

I am so pleased to be with you. Your All Holiness, once again, welcome to the capital of our great nation. It was an honor and, I think, an appropriate honor for us to greet you in the Oval Office today. (Applause.) And I was proud to be at your side in the Rose Garden. (Applause.)

It's an extraordinary privilege tonight to be with you and your distinguished delegation, and also to be with our respected and revered friend, Archbishop Iakovos, who has distinguished himself -- (applause) -- in the 30 years that he's been the spiritual leader of your church in the Americas. I apologize for the order of the program and speaking before dinner, but Archbishop Iakovos said you were having broccoli and I figure I have to get out of here. (Laughter and applause.)

But to more serious things, Your All Holiness, meeting with you earlier today was a rare and an inspiring opportunity. Once again, I want to express my profound respect. You are a holy man of great spirituality and vision and humility, a gentle and revered pilgrim on this mission of peace. (Applause.)

We are especially blessed to be part of this historic journey: The first time in the 1400-year history of the Patriarchate that the successor to St. Andrew has visited the Western Hemisphere. (Applause.)

Greetings to all of you, the members of the 30th Clergy-Laity Conference from 555 parishes across the sweep of the Americas. I still remember the outpouring of warmth that you gave me when I had the privilege of addressing you two years ago and two years before that. It is a delight to see you again because I feel that we do have a special bond.

In particular, I cherish the Greek-American legacy of putting family values first. (Applause.) This is the finest example of what our country needs in order to be strong and wise and flourishing. We admire your unflinching devotion to the passing on of clear moral values, and your emphasis on the importance of a good education.

I noted that in the census returns for the last three decades, you have ranked the highest of any community in education. (Applause.) And I'm not just saying that because John Bradamus is here, either. (Laughter.) Also, you stress hard work and the

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individual initiative that creates opportunity and, thus, have become the backbone of small businesses throughout this country.

And statistics show that through your shining example of love and faith and of course family tradition, you've almost no crime and drug problems. And how wonderful -- (applause) -- and how wonderful that 3,000 of your young people this week took part in a forum about the bitter plague of drugs. (Applause.)

I also admire your strength as a community in which your Greek Orthodoxy means your deeply-rooted spiritual beliefs, as well as the richness of your cultural life. In any age when so many challenges threaten the fabric of our society, your intense devotion to your faith and traditions have made you messengers of hope. You share the richness of your ancient, undivided faith. You've impressed us with the vibrant ethnic vitality of your immigrant parents and grandparents -- I love what Ted Koppel said about that earlier -- and with your commitment to Christian service both here and in the lands of your ancestors' birth. They were drawn here by the beacon of Liberty's torch. And now, you are shining your own beacon of promise back to your homelands, always remembering the words of the Greek National Anthem: "Now as ever valor prizing/Hail, all hail sweet Liberty!" (Applause.)

And what a splendid place Washington is for you to meet. Here, in his hometown, you can proudly tell the story of your Greek-American predecessor, Constantino Brumidi. Brumidi, the Michelangelo of the U.S. Capitol. (Applause.) More than 100 years ago, Brumidi produced those eloquent friezes showing scenes from American history and said with reverence: "My one ambition is that I may live long enough to make beautiful the Capitol of the one country on Earth in which there is liberty." (Applause.)

In Washington, you can rejoice in the magnificence of your Cathedral of St. Sophia. When I was Vice President, I used to live just down the road from Aghia Sophia: the Cathedral of Holy Wisdom. How impressive is its rich Byzantine style. How moving the site of its candle-lit icons and those astonishing mosaics. It must have been a place of rare beauty much like this that, back in the 10th century, inspired the envoys of Prince Vladimir to bring your Orthodox faith to Kiev. (Applause.) For they said that, upon their first glimpse inside an Orthodox church in Constantinople: "We knew not whether we were in heaven or on Earth." Your All Holiness, you are today trying to bring the peace of heaven to this earthly life. Your global vision is one of hope -- hope for what we can do with and for your 250 million spiritual children -- (applause) -- so many of whom have lived in the chilled darkness of religious persecution. The world rejoices that the new freedoms of the past year mean that your Orthodox followers in so many lands are now once again able to follow freely and openly the road of holy light. (Applause.)

We celebrate the dawn of hope for these people, particularly those for whom you speak in Eastern Europe. We also celebrate the tremendous strength of spirit which has sustained them through these generations of repression. Spirit like that of the 50 million Russian Orthodox believers who still dream of the day when they can worship openly in their faith which is, after all, 930 years older than communism itself. (Applause.) We know -- we know with certainty that day will come because, as a persecutor of Orthodoxy admitted: "Religion is like a nail. The harder you hit it, the deeper it goes into the wood." But while the events of this past year have been a glorious beginning, there is still much to do. Because peace is more than just the absence of war.

As we continue the struggle for liberty for all, our way will be lit with the inner radiance of pastoral pilgrims of peace like Your All Holiness. (Applause.) I've often spoke of hope as "a thousand points of light ablaze in the black sky," and so I was struck by this conference's theme: "Walk as children of light." I noticed how this first began in Ephesians: "For you were once

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darkness but now you are light."

Eastern Europe was once in dark bondage and now begins to see by the pale glow of a new dawn. (Applause.) It's like your own Easter midnight service. As the priest calls, "Come and receive the light," he brings a candle, I'm told, from the altar into the unbroken blackness of the church. And then he passes the flame to each worshiper's own individual candle until the church is ablaze with flickering lights proudly shining together to defeat the dark. (Applause.)

Your All Holiness, you are that candle. Your faithful here and around the world are that congregation which takes the light of your vision and spreads it through all lands. I was touched to hear that, during this trip, you will be walking across the "Peace Bridge" that links our great country, the United States, and Canada. And really, if you think about it, what a wonderful symbol of what all individuals and nations must do -- build peace bridges that link, not separate, nations. And then walk upon those bridges to meet others halfway in order to celebrate our similarities, not to battle our differences.

Together, we ask your prayers, Your All Holiness, that God will guide us in our efforts for peace and that the wide arms of faith and forgiveness will one day soon embrace a world with justice and compassion for all.

God bless you, Your All Holiness, and God bless every one of you gathered here tonight. Barbara and I were honored to be your guests. Thank you very, very much. (Applause.)

END

7:56 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 13, 1990

REMARKS BY THE PRESIDENT  
DURING DEPARTURE FOR CAMP DAVID

The South Lawn

1:33 P.M. EDT

THE PRESIDENT: Let me just say before I leave here that on Tuesday, the House is going to vote on a balanced budget amendment. And if enacted, that would halt the steady buildup of the national debt. I think it will bring much-needed discipline to the process, discipline on the Executive Branch, discipline on the Legislative Branch, on the Congress of the United States.

We've had one surplus in 30 years. And 30 state legislators -- more than that -- have already called for this action. I think this would be a very important tool. This passage is important to, I think, to the current budget negotiators. It would send them a good signal. We are very, very serious, not only in the budget negotiations now in process, but the commitment to the balanced-budget process. I think this vote on Tuesday is important, so I wanted to urge strong support for it.

Q What about the civil rights compromise?

Q How practical is it, Mr. President?

THE PRESIDENT: Phase it in and it will be very practical, and it will work. And it ought to be tried. We've tried a lot of other things and it hasn't worked. And we hear a lot about controlling spending, and then we see bills up there -- we're going \$4 billion over the President's request in one day. Turn around and that's what happens. So I'd like to give this a shot, and I think the country would like to give it a shot.

Q When you can't meet Gramm-Rudman in one year, sir, how can you reach zero?

THE PRESIDENT: We're not going to reach it in one year.

Q Has the budget -- bogged down?

Q Are you feeling optimistic about the civil rights compromise now, after Sununu's letter?

THE PRESIDENT: Well we're trying very hard on that. Do I get credit for a full press conference here? Otherwise, I'm leaving.

Q Half credit on it.

Q We'll give you credit.

Q How about tax increase revenues? Have you decided

THE PRESIDENT: The budget process? I think they're working in seriousness as of today. And I've vowed to stay out of it. I notice others are positioning themselves on what they will or won't accept. I made a deal with the leadership that I wouldn't do that, and I'm going to keep my pledge as long as I can. I may be the only one in town doing that, but --

Q Have you gotten closer to a package on taxes?

MORE

THE PRESIDENT: I think -- well, I don't know, Helen. That's a good -- and I can't tell you. Sometimes I think our negotiators -- Brady, Darman and Sununu -- are optimistic and sometimes they come back with a little less optimism. But I hope that this statement today will be supportive of the process, and I hope that what I've suggested will happen, because I think in the long-run that's what's required to keep our fiscal house in order.

Q Where do things stand on civil rights?

THE PRESIDENT: Negotiations going on. John Sununu was back today and had a fairly, I would say, reasonably optimistic proposal. My position on that one remains clear. I want to sign a civil rights bill; I will not sign a quota bill. And that's about where we are, but I think it's looking encouraging. I saw Ted Kennedy down here yesterday and had a chance to share my views with him once again. And he's been working, I would say, quite cooperatively with us -- the Republican side, under Senator Hatch, most cooperative. So as I leave here for the weekend, I hope I'm right in saying that it looks like we can work something out on that. I want to do it.

Q Can you say, sir, if in fact the administration has signed on for the need for about \$25 billion in tax revenues as part of this overall package?

THE PRESIDENT: No. I've said I wasn't going to discuss the specifics of the negotiations. And I really think I -- I know it's not too specific, but I really feel I ought to keep my share of the bargain on that. I see a lot of speculation and a lot of people saying what we will or won't do or what they will or won't do -- Republicans and Democrats and, look, I understand that. But I gave my commitment to the leadership -- Republican and Democrat -- in the House and I'm going to stay with that. And at some point, I may have to go out and say, look, this is all we can do, or here's where we go. But I'm not going to do that now.

Q Is your commitment --

THE PRESIDENT: I'm going to try.

Q -- is your commitment to a capital gains tax cut waning or weakening in any way?

THE PRESIDENT: I'm not going to -- you know, if I start going into even one facet of the negotiations I will, in my view, be violating a commitment I made to the Congress. So I really want to ask to be forgiven for not answering that nice-try question.

Q When do you think you'll have some answers?

THE PRESIDENT: Well, we're moving along, Helen. We all know what the dates are out there. You'll see some figures next week on the magnitude of this problem. The figures are out there pretty much in the public domain and, certainly, the Congress has them. But the American people want something done. And so I'm going to keep pushing, and our negotiators are working in total good faith. And I think the problem is so important nationally that something positive will happen. It has to.

Q What do you think about Boris Yeltsin bolting the Communist Party?

THE PRESIDENT: Boris bolting his party -- very interesting development -- very interesting. Hey, I'm tired, come on. And so are the rest of you guys. I can tell from the quality of the questions.

THE PRESS: Thank you.

END

1:38 P.M. EDT

## Office of the Press Secretary

For Immediate Release

July 17, 1990

PRESS BRIEFING BY THE PRESIDENT  
WITH MAGAZINE PUBLISHERS OF AMERICARoom 450  
Old Executive Office Building

11:35 A.M. EDT

THE PRESIDENT: Please be seated. Apologies for keeping you waiting. Let me just open with a brief -- I don't want to filibuster, but open with a brief statement on a word about Germany. And then I'll be glad to respond to your questions.

I talked this morning with both Chancellor Kohl and Mikhail Gorbachev, and had a fairly long conversations, about 30 or 40 minutes with each one. I feel that the agreement that was announced yesterday between Gorbachev and Kohl is very, very significant and very important. And I'd like to reflect on how we got -- I say "we" because the U.S. has been in the forefront of suggesting the best way for stabilization and peace would be a united Germany, a unified Germany as a full-fledged member of NATO.

So let me reflect on how we got here. First, everybody had to recognize that this unification was going to take place, was going to happen, and that it was right. And you don't have to go very far back in your minds to remember there was some debate about the speed of unification and whether a unified Germany indeed would be a factor for peace.

I remember telling the press last October, before the Berlin Wall came down, that when we said we supported German unity we really meant that. And we meant it without qualifications. After the East German elections in March people began to realize that unification could actually occur this year. And my view was the sooner the better. And I think the German people -- I know the German people have appreciated that stand by the United States.

And the second step was to put together a solid Western position on the external aspects of German unification. In February, Chancellor Kohl and I had a very long talk out there at Camp David about the alignment of a united Germany, and we came out after those meetings and agreed unequivocally that a united Germany needed to remain in NATO, including its full membership in the integrated military structures.

Prime Minister Thatcher and President Mitterrand, as well as other leaders in the Alliance, developed a solid meeting of the minds on German unification.

And the third step, though, was to persuade the Soviet Union. And President Gorbachev and I discussed this in Washington; we discussed it in considerable depth on that Saturday up at Camp David. And then in our joint press conference I said that I thought we both agreed that Germany should be free to choose the alliance that it would belong to.

President Gorbachev, if you remember, didn't challenge that, and we all thought that that was a good sign then -- the Soviet having been positioned, as you remember, against Germany and NATO. But he didn't challenge that idea that everybody ought to choose what alliance they want to be in.

MORE

We also had to show him that the NATO Alliance was not his enemy, but was a force for stability that could, indeed, adapt; could, indeed, change -- adapt to the new realities in Europe. And that's why the recently completed NATO Summit was so important, where all of our colleagues agreed to our proposals for the transformed alliance. And I'm very proud of my collaborators here -- the top foreign affairs and national security people, Jim Baker, Brent Scowcroft -- in formulating this position, this leadership position on behalf of the United States.

I sent a paper around prior to the NATO meeting, and it was that paper from which everybody worked and it became the basis for this agreement. Then yesterday, President Gorbachev commented that -- and here's what he said -- that without the "very important impulse" from the London Declaration, it would have been difficult to make headway.

So the Soviets viewed the NATO agreement as something that was very important to them and demonstrated less of a threatening mode on the part of NATO.

Both Kohl and Gorbachev have displayed, I think, exceptional qualities of leadership during this challenging period. I commended -- as a politician -- commended President Gorbachev on the outcome of the Party Congress over there. You talk about a guy getting hit from all sides -- I mean, I felt just -- (laughter) -- totally relaxed about what's happening in this country.

So anyway -- I don't know, but I must say I take pride in the way Europe is moving into this new era of freedom. It's a goal that we Americans have long worked to achieve. We've still got some very important problems that lie out there ahead of us, but it's a challenging and very exciting time to be President of the United States. And I expect my other co-leaders in the Alliance would feel that way. I'm not sure Mr. Gorbachev feels that way yet, but isn't it exciting when you think back a year and a half ago to where we stand today?

Now, with no further ado and without this opening designed to deflect you away from matters domestic, I'll be glad to respond to questions on any subject.

Yes, sir.

Q Mr. President, my name is Peter Diamandis, and I'm the chairman of the Magazine Publishers Association. First of all, I'd like to thank you for spending some time with the representatives of the industry. We're planning a party next year -- this is sort of a statement, not a question. (Laughter.)

THE PRESIDENT: All right, I'll take it. (Laughter.)

Q Okay. We're going to plan a party next year. We're having a 250th anniversary of the first magazine in America. It started in 1741, appropriately titled The American Magazine. This industry has now grown to 10,000 titles on every conceivable subject. And in honor of that celebration, we're going to devote a big part of our budget and our time to fighting illiteracy -- I know that's a big subject for you and your wife. I would just like for you to know that and hopefully support that in 1991.

And on that note, I'd like to introduce a fellow Texan, Mr. Reg Brack, who's the president of Time, Inc. Magazine.

THE PRESIDENT: Well, first, I'm delighted to hear that. And it is very important. This whole media support for the antinarcotics and for education, with literacy being in the forefront, has been dramatic. I will say this -- not to avoid my responsibilities as President, but it couldn't be done, the federal government -- there are not enough chips around to do what your industry and others are doing on a pro bono, thousand points of light basis.

Excuse me, Reg. Go ahead, sir.

Q Well, Mr. President, first of all, I'd like to congratulate you on your most recent accomplishment regarding the German issue and the handling of NATO and the development of Europe in general.

I would like to take this opportunity, on the heels of yesterday's troublesome news about the deficit, to address some issues domestically. And in that respect, I hope you know that I'm sure all magazine publishers are supportive of the administration's apparent willingness to begin to seriously address the deficit crisis.

But in that respect, I'd like to just make a quick comment and then ask a question. The comment has to do with the fact that magazines are particularly dependent on two things if we're going to continue our contribution to America's knowledge and vitality and diversity. Those obviously are advertising -- and you just mentioned how advertising functions on some important national matters -- the other is the United States Postal Service. And since advertising is, by a large measure, the machine or the engine that drives the consumer demand in this country, we would all hope that you would agree that anything that constrains or restricts advertising of any kind is actually a restriction, really, on the free enterprise system.

As you can imagine, as an industry we're more dependent than any part of the knowledge business on the United States Postal Service. Now, we know we have to pay more and, in fact, the nation, next year I believe, will be confronted with a cost for its mail \$7 billion greater than it pays this year.

My question really has to do with your view of the Postal Service in general, and specifically your position on the Postmaster General's strategic initiative to address costs in general and reduce labor costs in particular, because it's vital to the way the nation gets its information.

THE PRESIDENT: In the first place, I would obviously support bringing the Postal Service even more significantly into the end of this century. I mean, I think most people that look back historically have found that there are certain inefficiencies there. The whole concept of getting it more out of the political patronage business was to be able to overcome some of those inefficiencies. You people would probably be in a better position than I to judge how successful those efforts have been.

But certainly, I would be for encouraging the ultimate in that. I happen to not be fearful of the competition that has been brought to bear on the Postal Service. I know that some are critical of it, but on the other hand, I think it's a good thing. And I think if that's the way to stimulate efficiency, more efficiency on the part of the public side, the Postal Service itself, so much the better. So it's a very general answer to a rather specific question, but clearly, I'd like to think the answer is in reducing costs through efficient management as opposed to raising more revenues to support what historically most people think has been politically abused and, to some degree, inefficient system.

Who's next? Yes, sir?

Q Ed Torrero, executive editor IEEE Spectrum Magazine. I'd like to change the topic to international competitiveness, if I might. There are three technologies which are generally agreed upon to be essential to the national security. They are electronics, computers, and telecommunications. Their vitality depends on a vibrant commercial industry. Sir, are there any conditions or scenario under which you would support a somewhat more focused support of critical technologies by a stronger buttressing of commercial activities?

THE PRESIDENT: I'm not sure I understand what you mean by "buttressing commercial activities." I mean, clearly, you put your finger on the future. And what we are trying to do, recognizing America's historic ability to lead in these areas, is to open up markets. But I'm not sure I understand what you mean in buttressing --

Q If I might clarify. In the commercial area, there have been three specific examples in recent years where we may have been able to do something in terms of public policy, but thought better of doing it. One is in the supercomputer area where we've lost some companies; another is in HDTV, where the former speaker gave some information; and a third is -- if I may continue the specifics -- in the area of semiconductor equipment manufacturers, which was almost lost in this particular -- to this country.

A government agency recently predicted, therefore, that by 1994 the Japanese will, among other Asian technologies, dominate this particular area. So the previous speaker outlined a very exciting program to help R&D and so on. The question is, is that enough in time?

THE PRESIDENT: I think it's enough in time for the government. In other words, we are trying to take a look at antitrust to see that we're not giving out producers and our industries a disadvantage. We are trying to open up markets so that we can compete, and we are putting a lot of emphasis on research. I forget the total budget figure for research this year, but it's enormous, not just in this -- as it relates to electronics, computers and telecommunications. But I think that I would draw the line in terms of R&D and then trade policies that give us a chance to compete.

I've just come from an appeal by a United States senator for support on -- this is a little off your question -- for the textile industry, to protect the textile business further. And I can't do that. I can't say that I think the answer to the problem of textiles is further protection. Nor can I say that I think the answer to these three very important elements of our technology is further protection. So that leads you then to R&D and to opening the markets abroad.

Q Mr. President, I'm Jim Guthrie of the MTA. I'd like to address you as our spiritual leader who would like to keep us looking ahead. We're coming out of a decade that could probably be politely defined and characterized as one of self-indulgence and immediate gratification. There were inquisitive yuppies; there were junk bond LBOs that led to certain decrements in our own economic fabric; there were Wall Street convictions, and now we're at the S&L crisis. Secretary Mosbacher talked about the Baldrige Award. You've talked about a thousand points of light. What else is going on that will keep us looking ahead to the quality and the value that we're talking about restoring to all areas of our life?

THE PRESIDENT: You know, I've never been too pessimistic about America in this regard. I'll make you a slight confession. I still am trying to find the appropriate way to discuss, using the bully pulpit of the White House, these matters you talk about -- talking about religious values, family values or whatever. I think there is a danger that one can over do it, and yet, I think it's appropriate that the President try to not only adhere to those values, but to discuss them.

Having said that, I'm not pessimistic about America. We go through cycles. We went through a cycle in the Vietnam War where our own sons and, to some degree, daughters were told that our cause was immoral. People feeling as strongly as they did. I was old enough or blind enough, or whatever, not to accept that view. I still don't accept that view. Because when I look at Southeast Asia and I see a Vietnam where the charge was against us, if we'd only get out, this is an indigenous civil war, you'd have a little more

democracy there -- that hasn't worked out that way. And in your line of work where there were many publications, there are now but a few. And you see still people going out in these boats.

But the point is as it relates to your question, we had a generation of Americans that were taught that -- about a deep conviction by professors and politicians and others that our purpose, our cause was wrong. And then we condoned as a society certain excesses that we should have condemned. And I'm talking about an elevation of understanding about narcotics, for example, which gets right to the core of values.

Well, you've got to understand. I even think that we condoned graffiti as an expression of people's -- wasn't this marvelous -- creativity, when all it was was littering and cluttering up not exactly beautiful subway cars, but -- (laughter) -- nevertheless, we condoned things we should have condemned. I have confidence that the country goes somewhat cyclically, but always moves forward to our fundamental values.

I'm not discouraged about it. I wrestle with things that I think are important -- and I don't want to get into a debate with you all about the flag amendment. I happen to feel strongly about it, and I'd like to see the debate done so you could do it without having to call the other guy a demagogue. I may be wrong, but I feel strongly about it and I've fought for it because I do think there was a unique symbol there. And there's pretty good understanding on the part of the American people. The debate can go on without denigrating the other person's convictions that disagrees or feels that amending the Bill of Rights or the Constitution would be an egregious error.

But I keep coming back, as I listen to the debates on all these questions -- the National Endowment of the Arts -- all of them -- that we have a way of finding our way through in the United States these what appear to be dilemmas or these challenges. And the reason is, I think there is a fundamental understanding that we are one nation under God, that we have great respect for religion diversity, and that as we see the social problems of the day, we return more and more to the importance of the family.

So I don't know what we can do about it. I want to be very careful about censorship and about demagoging these issues, whatever they are. But I don't feel that I ought to address myself in a legislative sense to helping with this question because I think we can sort it out as people. And I'm confident of our -- not only of our decency and honor as a country, but of our tremendous generosity as a country. We've got some big problems here at home, and I've got to address myself perhaps more effectively to some of those. But I don't put down one of them the weakening of the moral underpinning of this country. I hope I'm right.

Here we've got a couple of more. I was late getting over. Yes. (Laughter.) Thank you, Kristin. I don't want to overrule my leader here. (Laughter.) She'll kill me when we get out of here.

Q Mr. President, I'm Tom Ryder, from American Express. After yesterday's disappointing budget news, does the administration's game plan on deficit reduction change?

THE PRESIDENT: No --

Q Where do we go from here?

THE PRESIDENT: The news in the Congress has been somewhat discounted because the numbers have been shared with them. And that news is one of the reasons I tried to make very clear that we would go with no preconditions to these talks.

We're getting to a crunch. The debt ceiling vote is going to drive some of the action. I'm still optimistic -- or put it

this way -- fairly optimistic that we're going to get a budget bill. But it can't be on one side of the equation or not. By that I mean it can't be done by all spending increases, it darn sure can't be done by revenue increases, and it cannot and will not be a budget agreement unless we get budget reform. The American people ought not to be asked to put a Band-Aid on a problem because of the budget process on Capitol Hill.

So we've got three ingredients to the question, and I think we're going to have to move forward on all three of them. I believe that we can get something done, and I think it is essential, given yesterday's public news -- which I think has been discounted by the budgeteers -- but I think it is absolutely essential something be done. I will do my part. And I have felt constrained on talking about what kinds of revenues, or what kinds of spending cuts, or what kinds of reforms, because I made a deal with the congressional leaders that I wouldn't do that.

As I said as I departed for Camp David the other day, I'm perhaps the only guy in town abiding by those constraints -- (laughter) -- which isn't all that bad. Because people on both sides of the aisle feel strongly. We've got to make progress. And given yesterday's news, Tom, it is essential. The time for game playing is over. And we have to get something done that is seen not only -- is not only a sound budget agreement, but is seen by the American people to be a sound budget agreement. And I worry that if we don't get one about the confidence in the marketplace that, obviously, you know a good deal more about than I do.

So we will be pushing in the next couple of weeks, and the meter is running. We're getting close to adjournment of the Congress. And we're getting close to a deficit ceiling that has to be raised. But I'm very serious about it and I will stay with them just as long as is required to get a sound deal.

But the news is disturbing. It's big. It's strong -- most of it or a lot of it coming because the economy has been more sluggish. But I still feel -- and I'm going to filibuster here -- but I still feel that there isn't quite the acute awareness on the part of the average American as deserves to be there. And maybe that means I'll have to do a little bit more once I feel unfettered from my agreement with the leaders.

Let me take three more, and then I will go peacefully.

Q Mr. President, Terry McGraw, McGraw-Hill. Since the completion of the Apollo Space program the U.S. space program has seemingly struggled for a definitive notion of its mission. Could you comment on your priority the space program has in your agenda, and more specifically, what your expectations are in this new investigation of NASA?

THE PRESIDENT: One, I have great confidence in Dick Truly, the Administrator of NASA. And so to lay that part of the question to rest, what we are doing is asking him to form an outside committee of the best minds he can find to look to the future. Not go try to assign blame because a mission is delayed getting off the ground. I mean, these shots are highly complex. We have been the leaders in space and I want to see us continue to be the leaders in space.

So the group that was advertized a couple of days ago or heralded as an investigation of NASA is nothing of the kind. I saw the stories and, once again, went semiballistic, thinking, my heavens, how could somebody write this when that is not what the President intends? But I think the Vice President, who is doing a good job as head of the Space Council, clarified that.

In terms of goals, we've got some broad objectives that go far beyond lunar landings now. But the first one obviously would be this space station, but with continued shots back and forth to do the -- what's almost becoming journeymen's work in space.

I'm confident we can do it. Obviously, we're in tight budget times, so we've set the goals for Mars and beyond out there many, many years. But I have confidence in NASA. And it's a perilous business I guess anytime you put people up there into space. But the record has been very good.

And yet, I think the management is such a complex -- it's such a complex organization that it is appropriate that the Administrator now call on the best minds he can find to see how we're going to meet these next goals and meet them, hopefully, within budget. And I'm talking about the space station; I'm talking about what Sally Ride talked about -- Mission to Planet Earth, where we actually utilize to the fullest extent possible space shots and improving matters on Earth. Obviously, the environment comes to mind and agriculture comes to mind. And then taking that third step, how do we organize NASA to meet this big, tremendous management challenge that will come about for this next quantum leap forward -- and discuss the cooperation with other nations in all of this.

I mean, as the whole world is changing -- and it has dramatically changed -- there may be some real opportunities now to do more with the Soviet Union, for example, or with other countries. So all of this requires a new look. And that's what this story was about.

Two more. Who's got them? Right here. Yes, sir.

Q Mr. President, Ed Lewis, publisher of Essence Magazine. Mr. Nelson Mandela, who has visited us, had great impact on many Americans. What are you doing to -- or are you -- doing to facilitate, to negotiate an agreement between Mr. Mandela and Mr. de Klerk to facilitate a hopeful, peaceful resolution for all South Africans?

THE PRESIDENT: What we're doing now is encouraging Mr. de Klerk to come here. And I think it is important, having had good visits with Mr. Mandela -- and they were good, and I'll tell you about that in a minute -- that de Klerk come here. It will be somewhat controversial. There will be a lot of picketers out here. I think they're wrong. I think in de Klerk you have a new kind of leader in South Africa.

I detected quite a respect on Mandela's part for de Klerk. And thus, I have concluded that it is important for the President to sit down with Mr. de Klerk. In the meantime, why, we're having a lot of diplomacy going on as to how we can encourage further change on the part of South Africa towards the elimination of apartheid.

We are not going to change our sanctions position until there is more progress. And you can argue that. I've sometimes felt that sanctions might be counterproductive, but I'm not going to change them now. And I think we're right -- nor am I going to strengthen -- nor am I going to acquiesce in their being increased right now. And I think that position is understood by Mandela as head of the ANC, and I think it's understood by de Klerk. They may not agree with it.

So that's about where we are. I will say that the visit with Mr. Mandela was very interesting. I had a long talk with him over here, and then took him and his wife over for lunch. What impressed me -- this is kind of a personal observation and off the substance -- is how a man who had been incarcerated for so long could retain this quiet sense of dignity and, I thought, reasoned understanding. I disagree with him on, at this juncture in history, the use of violence. He made his position clear. And I happen to think that my position is correct for the United States to keep emphasizing peaceful resolution to this question as opposed to a violent one.

But I talked to him very frankly about the differences we

have on Castro or Gadhafi, and yet, he explained -- he didn't take offense by that. But I felt if these talks are going to be meaningful at all, you might as well tell him what he's running into in the United States in terms of Castro, Gadhafi, Yasser Arafat.

So we had a good, frank discussion, and I hope that he went away -- I think he did -- he called me up just before he left -- with a feeling that the United States government had been responsive and certainly interested. And we'll see where we go. But I think more than any of the European countries we can be catalytic. We were not a colonial power and we are united in our opposition to apartheid. And then we have an Afro-American population here that feels fervently -- this is a gut issue. And I think that's a good thing. That might not be quite as prominent in other countries as well.

So I think those ingredients make our country uniquely able to serve as a catalyst between the various factors in South Africa, and that's what I want to try to do.

Last one. Who's got it? Yes, ma'am.

Q Marie Peterson, Crafts and Things Magazine. Our business is communicating via the written word. But many of us in this room are so busy doing our business we don't have time to read. When you have time to read, Mr. President, what is it that you choose to read for pleasure?

THE PRESIDENT: What do I read as President?

Q And for pleasure.

THE PRESIDENT: For pleasure? Thank God you added that, because -- (laughter) -- because really, this job is -- and I don't want to single out -- well, he's not even here to defend himself -- but his able deputy and my trusted friend, Bob Gates, is here from the National Security Council -- and Brent Scowcroft, who's not here. Part of the job -- I'll address myself just to the concept of reading -- is endless numbers of papers. I do better getting briefed in person where I can ask questions of our Cabinet or of our National Security team, but I have to have reading ahead of that. So most of my reading is formal and heavy-going and -- but in terms of process, I have enough confidence in our people that when they take those yellow, underlining-highlighting pens, they can take a 40-page document and convert it into 10 pages of reading. I cite this as process. And it's not just foreign affairs. It's Bob Mosbacher's business, or Dick Garment's business, the budget stuff. And so there's plenty of that to do.

The CIA, in which I have great confidence, has some marvelous studies of things all around the world -- economic -- they've got a good economic part of the house out there. So I have to do a lot of that reading.

What I do in terms of pleasure is to read mostly novels -- some of them not so -- I wouldn't say that they would be particularly weighty. "Bonfire of the Vanities" is one which was pretty darn good and was up near the top of the list. I'm reading "Network News" right now. I'm halfway through that. I read Teddy Roosevelt -- a couple of books on Teddy Roosevelt. I'm reading Caro's "Lyndon Johnson." I say "reading," I've got about two or three books going right now. There's a plain mystery by a guy named Beschloss called "Mayday" that I started and put aside because Barbara gave me the other one. (Laughter.) But it's relaxed reading. It is relaxed kind of reading, and it's novels. I find I can do that just before -- instead of taking one of these Halcions -- whatever that -- Halcion sleeping tablets, a good novel will help. (Laughter.)

But I wish I could tell you that I was doing more serious historical reading; I am not at this moment.

Listen, thank you all very, very much for coming, and I'm glad to have had this opportunity.

END

12:10 P.M. EDT

KOLSTAD 7/20/90

THE WHITE HOUSE

Office of the Press Secretary  
(Billings, Montana)

For Immediate Release

July 20, 1990

REMARKS BY THE PRESIDENT  
DURING KOLSTAD FOR SENATE FUNDRAISING BREAKFAST

Billings Plaza Trade Center  
Billings, Montana

8:11 A.M. MDT

THE PRESIDENT: Thank you all. And, Allen, thank you for that wonderful introduction. First, it's a delight to see our Governor, your friend and mine, Governor Stephens here. (Applause.) What a job he's doing. And I felt this warmth when I was with him not so long ago at the Centennial. Of course, in a very short period of time, Conrad Burns, our unique Senator -- (laughter) -- you can interpret that any way you want to. (Applause.) He hasn't been there that long, but he hasn't forgot how he got there -- (laughter) -- and people understand that and they respect it in Washington. And clearly, you love him here, as I do. And, Conrad, I appreciate the effort you made to get out here, rushing off to all kinds of connecting airplanes because he had to work up until the gong sounded yesterday in the Senate.

And as for our State Chairman, Barbara Campbell, I salute her. She's doing a great job for the party, and she gave me a wonderfully upbeat assessment just now about Allen's chances to win this important Senate seat. Barbara, thank you for what you're doing. (Applause.) And then to our Committee members -- Jack Galt, Ione Brownson, and my old friend of longstanding, Chuck Heringer. And then, of course, to your outstanding congressional candidate, Brad Johnson -- we've got to see him win. (Applause.) I also want to salute one who's not here, but who is doing a superb job -- I'm talking about Ron Marlenee, who was with me early on -- very, very early supporter. (Applause.) And that brings us, at last, to the next senator from the State of Montana, Allen Kolstad. (Applause.)

Let me just say it is great to be back in Montana, near some of the best fishing streams and forests in the country. I remember coming to Glacier National Park last year with a grandson and being told that Montana has 896 catchable fish per square mile. (Laughter.) My question is why don't they count the uncatchable fish? (Laughter.) I've found from my vast experience there are quite a few of those. But there is nothing better for the soul than seeing the grandeur of the snow-capped mountains in the distance or a Montana sunset, as we saw it last night, streaked across the fading skies. Montana is, proudly, the Big Sky State, a state of big skies. And America still is a country of big dreams. (Applause.) But to help make those dreams come true -- and I know Conrad would agree with this -- we have got to have more grassroots sound representation in the United States Senate. And to help make those dreams come true for America and Montana, I need Allen Kolstad working with me in the United States Senate. (Applause.)

Allen Kolstad and Iva, sitting over here next to me, know Montana as few others do. Five generations of Kolstads have called Montana home. Allen is a farmer, rancher, who has given over 20 years of his life to public service, to the people of this great state. He was elected to the Montana legislature back in 1968, the first Republican to serve Liberty County in almost 50 years. Then, in 1988, Stan Stephens and Allen Kolstad stunned the Democrats by giving them their first loss in a governor's race in 20 years. (Applause.) And just like our friend, Conrad Burns, did in the last Senate election, Allen Kolstad's about to hand the opposition another

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stunner. We need him in the Senate and we need him there now.  
(Applause.)

You see, I am convinced that with more people like Allen there and more Republicans, we can build a better America. Despite its minority status on Capitol Hill, the Republican Party has fought hard for what's right. They're fighting to preserve and protect the longest peacetime economic expansion in history, the lowest unemployment rate in the nation in 16 years, and the 22 million jobs created in the last seven and a half years. Having said that, I am still concerned, I am very concerned about problems that remain out there ahead of us. And, Iva, thank you for those lovely words of prayer from your heart. The outrageous deficit, for example, is over -- fasten your seatbelts -- over \$160 billion a year. That is not acceptable, and I am determined to do something about it.  
(Applause.)

We Republicans have a good record, at home and abroad, one we can stand with pride -- stand on with pride. And it was our policy of peace through strength that helped bring freedom to the lives of millions from Panama to Poland. (Applause.) And with a Republican majority in Congress working with me, we could do much, much more to ensure that America remains economically strong and becomes fiscally sound.

Instead, with the Democrats now in the control of the United States Congress -- both Houses -- we're facing government by gridlock in Washington, with spending skyrocketing out of control, good legislation thrown aside for pork barrel programs, and a budget deficit looming over our children's children. And while the Republican Party is using everything we've got to build a strong, competitive America, the Democratic stranglehold on the United States Congress has finally taken its toll.

Unfortunately, it is the American people who are paying the price. Let me just give you a few specific examples. In April of 1989, our administration sent to the Congress the Educational Excellence Act. Our proposals would advance education reform, reward achievement and encourage educational choice. And yet as the bill moved through the Congress -- and Conrad knows this so well -- some of its most sensible and cost-effective programs were scrapped, ripped out of the bill; substituting tired, old, expensive Democratic substitutes. Almost \$1 billion worth of unnecessary, unrelated and costly changes were heaped on top of our original \$400-million education bill. So it came out not \$400 million, but it totaled \$1.4 billion, more than triple our original request. In fact, they even changed the name of the bill.

I know Allen Kolstad would have said no to these unnecessary changes. Listen, Montana's graduation rate is 87 percent. And that's terrific; you ought to take great pride in that. But Allen and I want to make it even higher. Montana ranks third among the 28 states which administer the ACT test. You've done it by rewarding excellence, putting choice in the hands of parents and students and building, building in something that is essential, and that is accountability. And that's exactly the thrust of our federal program: choice, accountability, flexibility, excellence is the key; national goals to challenge our students, our teachers and our schools to succeed. This is the program.

And that's just part of the Republican agenda. Twenty-nine out of the last 35 years of Democrat control is long enough. We must have more Republicans in Congress. (Applause.)

But there's more. We proposed new child care legislation. Based on our belief that there is nothing more precious than America's children, we asked for \$9 billion in funding spread over a five year period. We proposed a bill that put choice in the hands of all families, whether low or middle income, by helping them get the kind of child care that they wanted -- at home, or, yes, in a church or a church-related facility, or from a local child-care provider. And the Senate passed a child care bill at

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double the money -- remember I proposed \$9 billion; they come up with \$18 billion in the Senate. And then the House, under solid Democratic control, outdid the Senate by tripling my request to \$29 billion. In short, we started at \$9 billion and the last word from Congress was \$29 billion. And if Congress has its way, the federal government will intrude upon one more area of your lives -- using that money to pile more red tape on child-care providers including friends and neighbors providing the child care. Democrats still believe that the federal government knows better how to do all this than parents or local communities. And I know what that tells me, it tells me that we must have more Republicans in the United States Congress. (Applause.)

Just this year, in February, March, I requested \$800 million in dire emergency -- this is a term that's used when you have to do something special -- dire emergency funds for immediate assistance to the governments of Panama and Nicaragua to help those fledgling democracies build their shattered economies, to help them strengthen their democracies. And I challenged the Congress to act in 30 days. I said this is a dire emergency and we need to have action now. One hundred eight days later, the Congress acted. Who am I to complain? It's been over 20 years since Congress produced a balanced budget.

But here's what caused the delay. Some so-called dire emergency additions to the bill by Congress -- almost \$3 and a half billion more in spending than I requested. Everyone on Capitol Hill knew how important this bill was, and for 108 days, Congress decided to hold it hostage. For 108 days, Congress calculated how much spending they could pile on top of this emergency request that they knew I needed to support the democracies that were just beginning in Panama and in Nicaragua. And for 108 days, inaction by the Congress jeopardized not only the economic recovery of these two critically strategic nations, it jeopardized the hard-won freedom of the brave people of Nicaragua and Panama. That's more than a difference between parties. In my view that was a disgrace. And I say we must have more Republicans in the United States Congress. (Applause.)

You know Republicans like what works. We think that finding a cure to the budget deficit means funding those programs that we know work, not throwing billions of hard-earned tax dollars at untested ideas with no track record or built-in accountability.

Americans are fed up. Year after year after year they hear about budget wrangling in Washington, D.C. They hear about the President trying to hold the line on spending and the Congress spending money it doesn't have. And I think now, given the magnitude of this problem, enough is enough. We must end this "deficits don't matter" mentality. And I do not want to preside over these god-awful deficits that are saddling these young people here with billions of dollars of debt.

The deficit is estimated to be over \$160 billion for one year. And Congress, as the American people know so well, appropriates every single dollar we spend. And at this very moment, our White House negotiators are trying to do something meaningful about this deficit. And, frankly, I think in fairness to say we are getting some good cooperation with the leadership on the Democratic side of the aisle -- I'd say on both sides of the aisle. And we must control spending; we must reform the budget process itself. And I've taken a few shots -- you've heard it rebounding around out here. I've said before that I'll negotiate without preconditions. And I will, in spite of the outcry about revenues. But there must be budget reform and true spending control. We owe it to the young people in this country. (Applause.)

Some people think that there's no difference between the two parties. I've come here to tell you probably something you already know -- to tell you there is. And it's as big as the Great Divide. On one side the Republicans out there, our side, that side lies opportunity, growth, choice in child care, choice in education, the creativity of the marketplace, and a government that understands

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it works for you and not the other way around. And I'll tell you something. That's why I think Conrad Burns has what I know Allen Kolstad will have when he comes to Washington, the full confidence of the people of Montana. You have the feeling, and properly so, that he works for the people of this state that sent him to the United States Senate. (Applause.)

And on the other side, the far side, lies the Democratic Party, the party of red tape and bureaucracy. Still pushing for higher and higher spending; still telling the states how to conduct their affairs; still pushing for mandated benefits; dictation from Washington to every drug program in the country or every education program or every program of whatever nature -- mandated benefits -- that's the hallmark of the Democratic Party. And now we're getting to the election cycle, and the choice is up to America.

And right here in Montana you know that there's a better way of doing things, a Republican way. I remember the last time I was in this state. It was for Montana's 100th birthday, when Allen was Chairman of the Centennial Commission. For my part, I planted a tree. Now, you may know that my record's not too good in that respect. (Laughter.) I planted a tree in North Dakota and, regrettably, it got attacked by gypsy moth. (Laughter.) And I planted a tree in Spokane, Washington, and I hadn't left town before some vandals ripped off the whole tree. (Laughter.) And so you can understand why they've asked me not to dedicate any buildings here. (Laughter.) But the tree -- when I climbed off the plane I got a firsthand report from the Governor who confessed to a certain nervousness about the tree. But the tree I planted in Helena, believe it or not, it's alive and it's well. (Laughter.) And it's flourishing. (Applause.)

Well, in that spirit, what a great job Allen did for the Centennial Commission. First of all, he didn't use one penny of taxpayer money, not one. (Applause.) And secondly, the Centennial is expected to give thousands of dollars back to the state Treasury. And that is the kind of fiscal responsibility that America needs on Capitol Hill. (Applause.)

Allen Kolstad agrees, and most Americans I believe when we take the case to them will, too. We must have budget process reforms. We must have budget process reforms. And your Senator sitting there in Washington now understands exactly what I'm talking about. We must have spending cuts and, frankly, I'd like to have that line-item veto. (Applause.) And if the Congress can't do it, let the President have a shot at it. (Applause.) And I'd like to see the balanced budget amendment. In the House it missed by seven votes. It would have disciplined the Executive Branch that I head and it surely would have disciplined the Legislative Branch, and I think that kind of disciplinary measure would be good for the United States. We like what works. And our budget process is simply not working.

It was one of the most famous Democratic Presidents, Franklin Roosevelt, who said about some 50 years ago, "The future lies with those wise political leaders who realize that the great public is interested more in government than in politics." The Republican Party is ready to govern in the United States Congress. And Allen Kolstad is ready to be your next United States Senator. (Applause.)

As for my part, I like my line of work. I like the challenges that face me. I like the fact that Barbara Bush is spelling out a lot of fundamental values that we all believe in for the country. (Applause.) I've dwelt here on what we must do and the things we're trying to do on the domestic side. But when you look around the world you can't help but wonder and be excited about the changes that are taking place all through Eastern Europe and in our own hemisphere -- changes toward democracy and freedom. It's a very exciting time to be the President of the United States. But we cannot succeed without your help. The help of the American people.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

September 28, 1990

REMARKS BY THE PRESIDENT  
AND THE AMIR OF KUWAIT  
UPON DEPARTURE

The South Lawn

1:45 P.M. EDT

THE PRESIDENT: Well, it is my great pleasure to welcome His Highness Sheikh Jabir Sabah to the United States. His Highness is visiting Washington for the first time. What normally would be a pleasurable occasion instead is a time for sobriety and sorrow. Our meeting has taken place with the backdrop of the tragedy that has been vested on Kuwait and its people by a ruthless and ambitious dictator.

Iraqi aggression has ransacked and pillaged a once peaceful and secure country. Its population assaulted, incarcerated, intimidated and even murdered. Iraq's leaders are trying to wipe an internationally-recognized sovereign state, a member of the Arab League and the United Nations, off the face of the map.

To them and to the world, I will state what I told His Highness the Amir. Iraq will fail. Kuwait -- free Kuwait -- will endure. And I have reaffirmed to the Amir that America's resolve to end this aggression against Kuwait remains firm and undiminished. Kuwait's sovereignty and territorial integrity will be restored. The stability and security of the Persian Gulf region is assured and the safety of all innocent citizens is secured. And this is consistent with our longstanding interests endorsed by all my predecessors since Harry Truman. And this is consistent with the will of the world community, endorsed by the United Nations in eight Security Council resolutions. And just yesterday, the standing ovation that greeted the Amir's moving address to the U.N. General Assembly was one more powerful expression of international support for a free Kuwait.

His Highness and I reaffirmed our support for the U.N. Security Council resolutions as the means to bring about a peaceful end to the crisis. But ultimately, that is up to Saddam Hussein. I reiterated our strong belief that we just continue to stand on the principles by which the United States and the rest of the civilized world are governed. And that means that no nation should be allowed to conduct its relations with another on the basis of threats or the use of brute force. And finally, His Highness and I agreed that we must keep all our options open to ensure that Iraq's unlawful occupation of Kuwait is ended and Kuwait's legitimate government restored. We also discussed the key role that His Highness, his government, and the Kuwaiti people are playing and will continue to play in the international effort to achieve these efforts.

I want to thank the Amir for his generous support for those who are being asked to make sacrifices. And I also want to single out the valiant efforts of the Kuwaiti resistance who are continuing to fight vigorously for their country. Despite incalculable risks, many are willing to pay the highest price to rid their country of foreign occupation and to protect innocent citizens, including Americans, from harm. And many have already paid the ultimate price.

His Highness and I will continue to stay in close touch and to work together to find a solution to this tragedy. As I stated

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in my address to the nation earlier this month, we will stand by our friends.

And to my guests, let me, sir, say one more thing, sir. I look forward to the day that I can visit you and the Kuwaiti people in your rightful home Kuwait.

Thank you for coming. (Applause.)

HIS HIGHNESS SHEIKH JABIR SABAH: Mr. President, I am pleased to have visited the capital of your great nation. And I wish I could have had the pleasure of receiving you in Kuwait City, the capital of my country, were it not for the Iraqi aggression which has denied us that opportunity temporarily, God willing. Nevertheless, the people of Kuwait, as well as myself, look forward to receiving you, Mr. President, in liberated, independent Kuwait.

I take pleasure in expressing to you, once again, Mr. President, and to your great people the deep feelings of friendship and appreciation Kuwait feels for you. Our stand together in the face of treachery and aggression is proof that relations between our two countries are based on the solid foundation of common values and principles that, in turn, provides guidance for the fruitful cooperation that evolved and developed in various fields between the United States and Kuwait.

Your principled, courageous, and decisive position in face of the Iraqi aggression on Kuwait is a true expression of the unabated faith and commitment of the American people to the humanitarian morals on which and for which the United States of America was founded. The unity of the international community in support of our position against aggression and occupation, the two most flagrant violations of human rights, conclusively indicates the determination of all nations and peoples of the world to put a definitive end to armed aggression as any country's foreign policy tool. This unity takes on added relevance given the world's entrance to an era dominated by an atmosphere of peace, rapprochement, cooperation, and optimism.

We look with admiration to the role you, Mr. President, and your nation have played in inaugurating and enhancing the foundation of this era. Mr. President, your just position by the side of Kuwait in this ordeal represents a categorical rejection of aggression in all its forms and manifestations, whatever its source or pretext. The unity and support shown by the friendly American people towards the position and measures taken by you, Mr. President, against Iraq's aggression, whose first and foremost victims are the human rights of the Kuwaiti people, are perfectly compatible with the unflinching faith in the standards of justice and fairness for which the American people stand. This is the faith that brings together the nations and peoples of the civilized world.

I am fully satisfied by the identical views we hold on issues covered in our talks this morning with you. Truly, this mutual agreement reflects the advanced stage in relations our two friendly countries and peoples have reached.

Thank you, Mr. President. (Applause.)

END

1:56 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 4, 1991

REMARKS BY THE PRESIDENT  
TO VETERANS SERVICE ORGANIZATIONS

Room 450  
Old Executive Office Building

1:48 P.M. EST

THE PRESIDENT: Thank you very much for that warm welcome. Looking at this array of speakers up here, I can't imagine there's anything left for me to say, because I understand that you have had a briefing from Brent Scowcroft and Secretary Cheney, and also, of course, heard from our very able Secretary of the Veterans Administration Ed Derwinski. What a tremendous job he's doing for our country and for our veterans. And I'm so proud to have him at my side.

I'm glad to see the familiar faces from so many of our veterans organizations -- particularly the VFW and the Disabled American Veterans, the American Legion -- many, many others. I'm going to get in real trouble now for -- (laughter) -- omitting some. But welcome, again; welcome back to the White House.

Let me just begin by giving credit where credit is due. From the day that Saddam Hussein first invaded Kuwait, America's veterans stood rock-solid -- rock-solid behind our troops. You understood from the very beginning what was at stake: the rule of law and the cause of freedom. You understood that when the forces of aggression arise, America must stand ready to do the hard work of freedom.

You understood because you've been there. And you know how important the support of the folks back home is to our troops. Our brave men and women, as you have heard, are coming home soon -- home to the respect and the gratitude of the American people. And let me tell you -- they have sure earned it. (Applause.)

I am pleased to say -- and you've seen it all in this age of instant television communication -- that we're making progress in our journey from war to peace. The cessation of combat operations that went into effect midnight Wednesday is, as you've heard from Dick Cheney, holding -- for the most part, it is holding. General Schwarzkopf has reported, and then the Secretary called me yesterday morning about this -- that Sunday's desert meeting with the Iraqi commanders really met -- made great progress.

I liked it -- what General Schwarzkopf said on the television when he said, "Look, we're not here to humiliate anybody." And then he went ahead and laid down the rules that should be fulfilled. And it looks like he made great, great progress on that.

Already 10 coalition POWs, including several Americans, are on their way back home. But I'll tell you, I don't think any of us, particularly in this audience -- and I know I speak for the three up here behind me on this stage -- can relax at all until every single one of those prisoners is home and every single missing is accounted for to the best of the ability of the Iraqi forces, and also that the Kuwaiti detainees are returned -- every single one of them. And that's our goal. (Applause.)

And clearly, on a sad subject, that requires the returning of the remains of all our fallen heroes.

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We've received information on the location of the mine fields in and around the theater of operations, so that the rebuilding of Kuwait can begin safely. And it's my understanding, Dick, that -- you told me that he got immediate satisfaction on that question of the mine fields. So that's good -- that shows some real signs of progress and cooperation.

Our goal remains what it's been all along -- Iraq's complete and unconditional compliance with all relevant United Nations resolutions and its implementation of all the requirements to be found in Security Council Resolution 686, passed overwhelmingly just this -- late Saturday afternoon, just this past Saturday. This would allow us to move beyond the current suspension of military operations to a more permanent and stable cease-fire.

Now, this has been a triumph -- a triumph for the 28 nations united against aggression. But as I said in my address to the nation the final night of Kuwait's liberation, this is not a time to gloat or it's not a time to brag. It's a time to be proud, fiercely proud -- proud of our troops, proud of our friends who stood with us, and proud of our people. Their strength and perseverance endured that our success was as certain as our cause was true.

We're here today to ensure that our nation always remembers those who defended her -- the heroic men and women who stood where duty required them to stand. And we owe it to our veterans that they return to an America confident and full of promise. Much work remains to be done on the domestic scene. We've got to tackle that with a new determination. But the American people, I am convinced, are up to the job, as they have always been.

Let me close with the words of Abraham Lincoln, who spoke to the nation on this very day, but back in 1865, at the end of a devastating civil war. Here was the quote; most remember part of it:

"With malice toward none, with charity for all, with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle, and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

Those words are inscribed on the marble of the memorial which bears Lincoln's name. They were from the President's second inaugural. They were a fitting call to honor the nation's veterans.

I made a comment right here at this podium the other day about shedding the divisions that incurred from the Vietnam War. And I want to repeat and say especially to the Vietnam veterans that are here -- and I just had the pleasure of meeting some in the hall -- it's long overdue. It is long overdue that we kicked the Vietnam syndrome, because many veterans from that conflict came back and did not receive the proper acclaim that they deserve -- that this nation was divided and we weren't as grateful as we should be. So somehow, when these troops come home, I hope that message goes out to those that served this country in the Vietnam War, that we appreciate their service as well. (Applause.)

I am very grateful to our Secretary of Defense, to the commander of our -- to the Chairman of our Joint Chiefs, and to our CINC in the field, General Schwarzkopf, and to each and every one of them -- I expect, knowing some of you, that you took the same pride I did in one of our G.I.s when these Iraqis came tearing out to surrender. And they had fear written all over their faces because they'd been told that this would be their end. And I thought there was something very moving and touching when that American sergeant said, "We're not going to hurt you. We're not going to hurt you."

And we are a generous nation. And we've got a lot to do now; we've got a lot to do to heal the wounds. Our argument has never been with the people of Iraq, with those hapless soldiers that

were sent to a fate that they didn't even know what was in store for them. Our argument has been with Saddam Hussein. Our argument has been with a dictator who created aggression against a neighbor.

And so, as we rejoice in our victory, I think we can also rejoice in the fact that we are a humble nation, that we have pride, of course, in what took place, but we are not gloating. We are not trying to rub it in. What we stood for was a principle. And now we've got to stand for doing what's right by our veterans, and we've got to stand for doing what's right by those countries whose freedom we saved around the world.

Thank you all for your fantastic support. Isn't it great to be an American in these wonderful times? (Applause.)

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1:57 P.M. EST