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Bush & Quayle

STATEMENT OF VICE PRESIDENT BUSH FEDERAL SERVICE

My experience as Vice President, and as Director of the CIA, has given me a very high regard for the overall competence of career civil servants and for the vital role they have in our democratic form of government.

How well the tasks of government are done affects the quality of the lives of all our people. Moreover, the success of any political leadership in implementing its policies and objectives, depends heavily upon the expertise, quality, and commitment of the professional career employees of government.

So, despite our determination to cut the size and costs of government, we recognize that the nation needs a highly skilled and dedicated civil service to perform those governmental services that we - as a people - decide we want.

For those reasons, improving the quality, morale and performance of the public service will be a high priority of my administration. My appointees will work closely with career civil servants to provide the teamwork needed to implement my policies, and to manage more effectively necessary programs across the government.

One of the things we will do is to provide a White House orientation program for all new appointees without previous federal experience. That orientation will have firm objectives: to show them how to be effective in the federal environment; to be sure they understand the limitations our democratic system places upon Executive Branch officials; to help them lead their agencies skillfully; and to urge them to build teamwork among the political and career officials in the agency they lead.

Through that kind of teamwork, we will launch a vigorous effort to achieve excellence in governmental programs and the delivery of services to the public. Many of the past failures of government have occurred - not because federal employees lack talent and energy - but because byzantine rules and procedures imprison talents and sap morale.

It has been my observation that most federal workers are like most other American workers. They have the same desire for pride in their work, the same drive for accomplishment, and the same work ethic that has made the American workforce one of the most effective in history. It will be our objective, therefore, to remove impediments to effective management and to encourage workforce creativity.

Because of the rigidities now existing in the federal pay structure, many agencies are finding it difficult to retain and recruit high-quality employees. This is especially true in hard-to-hire occupations and locations. Working with both federal professional associations and federal employee unions, we will seek to improve federal recruiting efforts and to make federal jobs more challenging and more satisfying.

As examples, we will experiment with "honors" programs to attract top professional and law school graduates; with new types of in-service professional development; and with tuition assistance for work-related courses.

Several major studies of the federal service are now being conducted by such distinguished groups as the National Commission on the Public Service (which is headed by Paul Volcker) and the National Academy of Public Administration. The objective of these studies is to advise the next President on ways of solving the problems of the public service and they have been assured of my interest in their recommendations.

The Office of Personnel Management (OPM) must be a vital center for human resource planning for the federal workforce. The Director I choose for OPM will be a person with both the managerial and professional experience needed to fill that role. Responsibility for personnel operations, however, will be delegated to the departments, and to their field installations to the maximum degree feasible. Over-regulation WITHIN the federal government is as unwise as over-regulation BY the federal government.

We will also be open to further congressional suggestions for legislative improvements in the personnel system. For example, we will explore carefully the idea of extending to children of federal employees the law allowing students who reach the age of 22 to continue their health insurance coverage under certain conditions.

Beyond these specifics, my administration will work cooperatively and continually with your group and with other friends of the public service, to make it more efficient, more effective, and more productive, as well as a more satisfying place to work.

PENSION AND EMPLOYEE BENEFIT ISSUES
OVERVIEW STATEMENT

10/28/88

Vice President Bush believes that our private pension and employee benefits system represents a critical element towards assuring that Americans have a good standard of living during their working lives and in their retirement years. He believes the private pension and employee benefits system should remain a voluntary one and should be viewed as a supplement to and not a substitute for the Social Security system. He also believes that the assets in these plans represent an important pool of capital which can contribute to our continued economic growth and prosperity.

A Bush Administration would be dedicated to continuing to work to: expand the reach, improve the equity, enhance the portability and ensure the security of the private pension system. It would work to improve the stability and credibility of the system in certain situations (eg; terminations, takeovers) while assuring the financial integrity of the federal pension insurance system. It would also work to assure that the assets in these plans are managed for the benefit of American workers and retirees and that neither the risk nor return of pension plan investments is compromised based on un-related social or political considerations. Importantly, a Bush Administration would be dedicated to the principle that employers must be fully accountable and liable for all their benefit promises... no more and no less than the benefit promised under the plan.

A Bush Administration would oppose mandated benefit approaches that would cost jobs, fuel inflation, undercut our competitive posture and eliminate personal choice. At the same time, it will look for fiscally responsible and economically rational ways to assure that all Americans have an opportunity to access health insurance at reasonable rates, with special emphasis on catastrophic protection. It would also work to improve the certainty and security of employer sponsored retiree health benefits.

A Bush Administration would work to encourage employers to design their plans to meet their needs and the needs of their workers (e.g., child care, long-term care). It would also attempt to promote meaningful employee ownership and profit sharing arrangements as supplemental retirement arrangements.

A Bush Administration would also attempt to work with the Congress on a bi-partisan basis to: provide more stability in the pension laws, streamline and simplify certain pension and employee benefit laws (e.g., Section 89 rules, ERISA's reporting and disclosure requirements), develop a set of National Retirement Income and Employee Benefit Policy principles, improve the legislative process, and achieve a better balance between social, economic and fiscal policy considerations. These represent important factors that are designed to: provide a climate that will

facilitate and encourage employers to offer pension, health and other important benefits to their employees, and; ensure sound national retirement income and employee benefits policies that are fiscally responsible. In addition, a Bush Administration would be committed to eliminate any inappropriate regulatory obstacles and minimize any future regulatory burdens while assuring that the interests of workers and retirees are protected.

B060701 PUBLIC EMPLOYEES.CIVIL SERVICE

In an effort to win the support of the nation's 2.8 million federal workers, Republican presidential nominee George Bush is stressing his "very high regard" for civil servants. He also has promised that all his political appointees would undergo a special orientation program telling them how to work with careerists, and he emphasized what illegal or improper actions the appointees must avoid.

10/13/88 WASHINGTON POST
STAFF WRITER

The letter and statement on the federal service says that Bush's service as vice president and director of central intelligence have made him aware of the "competence and dedication of career civil servants."

If elected, he said, "improving the quality, morale and performance of the public service will be a high priority of my administration." His appointees, he said, would be instructed to listen to and "work closely with career civil servants."

10/13/88 WASHINGTON POST
STAFF WRITER

A Bush aide said this "is not just a staff paper. He (Bush) personally approved it." He said Bush considers himself a public servant and insider who "knows the value of cooperation from the career civil service."

Echoing a common complaint of U.S. workers, Bush said that "many of the past failures of government have occurred -not because federal employees lack talent and energy - but because byzantine rules and procedures imprison talents and sap morale." He said he would appoint a top manager to the Office of Personnel Management, but also would have more responsibility delegated to agencies. "Over-regulation within the federal government is as unwise as over regulation by the federal government," his statement said.

10/13/88 WASHINGTON POST
STAFF WRITER

"I'm delighted to be here to attend this very interesting rally," Bush concluded. "I want to thank you all for coming. You are exercising those rights for the opponent - the liberal from Massachusetts - are going to be on the losing side and those with me are going to be on the winning," Bush said.

Bush also produced a union card indicating membership in the CIO Steelworkers Union in 1950. Holding it up, Bush said: "Let me say this to you guys..... How many guys running for the president of the U.S. has been a member of the CIO steelworkers? You're looking at one."

09/07/88 BOSTON HERALD

For a majority of American workers, much of their retirement income depends on their private pensions. The pension system is enormous, with assets of over \$1 trillion. In 1974, after a series of bankruptcies and corporate mergers left some pension trust funds seriously undercapitalized, the government established programs to monitor pension funds and to guarantee future recipients that they would receive their benefits when they retired. The Pension Benefit Guarantee Corporation, the organization established to insure pensions, has been jolted by the collapse of several major corporate pension funds. We need to reestablish its sound financial footing so that pensions can be guaranteed in the years ahead. I support the legislation pending in Congress to permit the PBGC the flexibility to meet its actuarial requirements.

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New, innovative thinking is required to develop a pension system that works for today's mobile workforce and fits the needs of those who will change jobs several times during their working life. A Bush Administration will lead the way to finding these new solutions. Private pensions must serve the needs of those who are currently employed as well as those who are retired.

03/14/88 BUSH POSITION PAPERS

-Its pension fund is dangerously underfunded, 35 percent against an average of more than 80 percent for other states.

09/16/88 NEW YORK TIMES

Bush, using a wealth of statistics and state comparisons, said in his speech, "If there's any miracle, it's that Massachusetts did so poorly in an era of unprecedented nationwide growth, while huge defense dollars were being pumped into the state."

He charged that Massachusetts' pension system "is dangerously underfunded," that the state is nearing "budgetary meltdown," that four of the five tax cuts Dukakis says he made were "inconsequential" and that the fifth was forced on him.

"My opponent says he wants to 'do for the nation what he has done for Massachusetts,'" he said. "That slogan is beginning to sound more and more like a threat."

09/16/88 WASHINGTON POST

Stepping up his attack on the "Massachusetts Mirage," Bush criticized Dukakis for running up a \$7.4 billion debt in Massachusetts and said the state has lost 26,000 manufacturing jobs since 1983 - "more than any other state in the country."

He lambasted Dukakis for creating a "growing budget deficit," borrowing this year to cover "daily expenses" and raiding the state's pension fund to pay "outstanding bills."

Skipped paragraphs

Bush said the state's economic progress was fueled by a flood of defense dollars. "There is no Massachusetts Miracle." If there's any miracle it's that Massachusetts did so poorly in an era of unprecedented nationwide growth, while huge defense dollars were being pumped into the state."

09/16/88 BOSTON HERALD

And I won't do one other thing that he's had to do -- took \$29 million out of his state pension fund. That's equivalent in the federal level of taking out of the Social Security Trust Fund. I'm not going to do that. (Applause.)

10/13/88 1988 DEBATES

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10/13/88 1988 DEBATES

"If he really wants to talk about lies, let's go back to our recent debate - the American people saw it, close to 75 million I'm told - he said he didn't raid that Massachusetts pension fund. Well, that is flat-out false as he knows it," Bush said. He was referring to a Dukakis statement in the debate that "I didn't raid" the state pension fund to balance the budget; Bush had said Dukakis "took \$29 million" out of the fund to offset the deficit.

10/25/88 WASHINGTON POST
HOFFMAN, DAVID

✓ B060705 PUBLIC EMPLOYEES. RETIREMENT PROGRAMS

"There are signs showing in the opposition camp of desperation, using ads that accuse us of lies," he said, defending as "no lie" his depictions of the Massachusetts furlough program and Dukakis' defense spending policies and offering the audience "complete documentation."

Then he tried to turn the tables on Dukakis.

"He's upset, not because it is false, but because he is weak on crime and defense - that's the inescapable truth," said Bush. "If he really wants to talk about lies, let's go back to our recent debate..."

"He said he didn't raid that Massachusetts pension fund, that pension program. He said, quote, 'You're dead wrong, George. We didn't do that.'"

"Well, it is flat-out false. And he knows it."

10/25/88 BOSTON GLOBE

The Republicans also previewed a tough new television commercial that will be broadcast nationally, accusing Mr. Dukakis of deceiving Americans when he insisted in the last debate that he has not raided the Massachusetts state pension fund.

The commercial titled, "Unbelievable," begins, "Michael Dukakis deliberately misled 62 million Americans in the last debate." A script prepared by the campaign Monday had said "Michael Dukakis had told a lie," but those words were toned down. The three-pronged attack marked an escalation in the battle to control the public agenda with only two weeks remaining before the Nov. 8 election.

10/26/88 NEW YORK TIMES

Bush's health care proposals are less sweeping and tend to stress government efforts to encourage individuals and businesses to take care of their own.

His campaign says that, in this era of tight budgets, Bush's plans would target for government help those who need it most. He has proposed allowing low-income workers to buy coverage under Medicaid, the health care program for the poor. He also calls for expanding Medicaid to cover more of the poor. Only about 41 percent of those below the federal poverty line are now eligible.

Under the Bush proposal, Medicaid would gradually be expanded to cover pregnant women and infants in families with an income of nearly twice the poverty level. For a family of four, the poverty level is now about \$12,000 a year.

Bush favors changing the tax laws to encourage people to buy private long-term care insurance, and to allow them to cash in Individual Retirement Accounts to pay for long-term care.

"Our objectives should be to increase awareness," says Bush's position paper, "assist and allow family members to help each other and create the greatest possible incentive for individuals to provide for their own future long-term care needs."

10/26/88 SCRIPPS HOWARD NEWS SERVICE

THE WHITE HOUSE

WASHINGTON

SPEECHES, STATEMENTS AND

FACT SHEETS

FROM THE CAMPAIGN

ON TRADE

PRESIDENT BUSH

1/24/89

Bush 88 Quayle

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FOR IMMEDIATE RELEASE

Tuesday, September 13, 1988

CONTACT: 202/842-1988

EXCERPTS OF REMARKS FOR
VICE PRESIDENT GEORGE BUSH
EXECUTIVE'S CLUB
CHICAGO, ILLINOIS
TUESDAY, SEPTEMBER 13, 1988

I am dedicated to a new vision of a better America. It's a vision of hope for a safer and more peaceful world, a world already in the making. It's a vision of a gentler America, our values strong, a country richer for diversity. And it is a vision of more economic growth for America, built on the achievements of the past eight years and expanded to those who have not yet enjoyed it.

I want to talk today about that economic growth. About the challenges we face in a fast-changing world as we near -- not just a new decade, but a new century. About our economy and how to keep it strong.

Let me begin with my personal perspective. A few years after World War II, I started my own business. It was a small business but not too small to learn the facts of economic life, in the real American economy. I got my start by taking a risk; and I got my education by making that company grow.

Our company, Zapata Off-Shore, did take risks. There was a new technology, unproven, full of half-starts and failures, for off-shore drilling. We took a gamble, we invested in that technology and we succeeded in pioneering a new way to find America's energy. In 12 years, Zapata grew from a few employees to 425, from assets of \$1.5 million to \$15.8 million. It wasn't always easy, even in the years we did well. I recall the sense of despair when things went wrong. A hurricane hit our brand new rig on its first location -- It had totally disappeared.

But I learned some very important things. I learned the value of creating jobs. And I learned first hand what risk-taking means. When that rig went down, people lost their jobs. When we rebuilt, people went back to work. I saw the strain on families and I saw the joy. A job is more than a source of income. It is a source of pride. A source of meaning in one's life. We often seem to debate statistics in this country; but I don't take lightly the creation of jobs as the central goal for a government and the central issue in this

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world. We're the biggest producers of computers and aircraft. We're the technological leader in many areas -- including scientific instruments, telecommunications equipment, computers and genetics. We are literally the engine that has driven world economic growth for the past six years.

These aren't just statistics. Americans can feel and touch and bank upon the prosperity brought by the longest running peacetime economic expansion in our history. And the average personal income after taxes is at an all time high.

Americans at every income level are certifiably better off than they were in 1981. Real family incomes for each income group of the population fell under Jimmy Carter and Walter Mondale. They have grown under Ronald Reagan and George Bush. It's that simple.

So the next time somebody tells you that America is declining, tell 'em to put away the 1980 calendar. This is 1988. America is a Rising Nation again.

But what of the future? Will our children and our grandchildren be able to do better? Will a good education and their own homes and good communities be part of their lives? Will America's economy keep growing? The answer to these questions is "yes." Yes, if we understand the new forces affecting our economy and the world. And yes, if our policies are guided by principles that work -- the principles which have brought us success in these past eight years. Expansions don't die from old age, they die from bad policies.

Our economy is being shaped today by five forces, each of which poses both opportunities and risks for our country.

First, free market ideas are taking hold around the world. Wherever you look -- south of our border, Europe, Africa, the Pacific Rim -- socialism and other forms of intrusive government are discredited. Even the communist nations are changing their ways. China is in transition. We're seeing the beginning of it now in the Soviet Union.

The driving force for the spread of market-driven ideas is none other than the United States of America. We are seen as the model that works -- which makes it all the more imperative to stick with our successful program. Now that the whole world is experimenting with more economic freedom and lower tax rates, it would be ludicrous for us to go the other way. Yet that is exactly what many in the other party propose. Industrial policy. More government planning. Have the government pick winners and losers. And always higher taxes.

Second, America is part of a highly competitive global economy. It wasn't so long ago that Americans didn't worry too

That's the world we face. Tremendous opportunities for greater economic growth are coming our way, and tremendous risks if our policies are wrong. The United States -- with the largest and freest market, the greatest concentration of talent and capital -- can and must seize the future. We will determine our own economic destiny, through action or inaction. My bias is toward action.

I intend to discuss economic issues throughout this campaign. But my economic plans share this in common: They will be guided by four principles that will put our economy on the road to greater economic growth for all Americans.

The first principle is the most important: No Tax Increases. We cut taxes in 1981, and it worked. 17.8 million new jobs in this recovery. Productivity up. Factories at near capacity. Give people the incentive to work and they will. This summer, help wanted signs hung all over this country. When the other party was in power, black teenagers had a hard time getting a summer job -- now employers have trouble finding kids for summer work.

The surest way to kill the recovery is to raise taxes. That will stifle everything from investment and personal savings to consumer spending. It will clamp down on growth. It will invite a recession.

Yet that's exactly what many in the other party want to do -- raise taxes.

My opponent called our tax cuts "one of the worst bills Congress could ever have passed." He said they "virtually destroyed our position in the world." I don't know where he's been while America's economy was booming, but he clearly missed the point.

There is no reason why the government has to take an ever increasing share of our resources. Americans are not undertaxed. Taxes are about 19.4% of GNP, close to the record for the past 40 years and still higher than the 18.3% they were in the 1970's. But spending is 23% of GNP, also near the record high.

So let's not fool ourselves. We've got to work that deficit down the old-fashioned way, by controlling government spending.

I've proposed a flexible freeze, under which total government spending can increase, but only at the rate of inflation. Social security, which is a solemn bond between the generations, and interest payments would be exempt. Put on that freeze and the deficit will come down.

It can be done, as shown by the fact that, with the help of Gramm-Rudman, the increase in all government spending has been

My opponent calls this kind of government, the "helping hand."

Well, where is the helping hand reaching? Right for your wallet. What will pay for that helping hand? Your money. And who is being helped? Not you. It's government in Washington picking the "winners and losers." And what kind of lasting jobs are going to be produced by this partnership? Only the kind that endure on the public payroll.

This isn't a helping hand; it's the same old heavy hand of government. And just wait until Congress gets its hands on this pork barrel. The hand will get heavier and heavier.

We've spent eight years lightening government's touch. The last thing we need now is a government slap in the face to slow down our economy.

I'll tell you the kind of government that really helps. A government that makes sure that equal opportunities are available to all Americans who want to work for them. A government that understands that the real job-creating machines are the small and medium size businesses.

out [I must say I was a little surprised by one of the many tax increases my opponent recently enacted in Massachusetts. He raised taxes on small business.]

One small businessman, a former supporter of his, wrote in a business journal that "it is an action that speaks louder than the words used on the campaign trail... What a shame that [he] would snuff out innovation and hard work and creativity by snuffing out the rewards, by doubling taxation" -- a sad lament indeed, direct from a small businessman in Taxachusetts.

I believe in a government that sees the economic empowerment of individual Americans as the key to our prosperity in the future. And let me just say: sixty percent of the new jobs we've created were filled by women.

Education and child care are so important. Underprivileged kids need Head Start -- and I've proposed to expand that program. Yes, economic empowerment of individual Americans is the key to our bright future. That's why all kids need higher academic standards and stronger values. That's why I believe we should have a College Savings Bond plan to help families save for college.

That's why we need economic empowerment for those working in industries in transition, for the unemployed, and for single parent households. Proven job programs like Dan Quayle's JTPA are the way to do it.

high-opportunity policies leading the world into a new era of economic growth.

One hundred and fifty years ago, a young Frenchman was sent by his government to scout out commercial possibilities in the United States. His name was Alexis de Tocqueville. He didn't turn up much in the way of business, but he left us a work of genius called Democracy in America. Those early Americans, he observed, were eager for change, self-confident in their ability to master the future.

They were economic activists and they looked to themselves for success. That spirit of self confidence, of adventure -- not only our resources -- brought us to world leadership. Everywhere, whether in the schools, the Boardroom, the factory floor, the thousands of small and big places throughout this land, you will find the same spirit today. We're all engaged in the great adventure of the new global economy, which we did so much to create and from which we can benefit greatly.

That's the spirit I will invoke as President. The spirit of economic activism, of looking to the future. The American spirit expanding our economic horizons for the next century beyond anything we've imagined. That's our competitive advantage, and I won't let anyone take it away from us.

Thank you.

* * * *

Bush & Quayle

FOR IMMEDIATE RELEASE
MONDAY, OCTOBER 17, 1988

CONTACT: (202) 456-6772

EXCERPTS OF REMARKS BY
VICE PRESIDENT GEORGE BUSH
MARTIN MARIETTA CORPORATION
DENVER, COLORADO
MONDAY, OCTOBER 17, 1988

Throughout this campaign, I have spoken of my mission to build a better America. But that mission does not stop at the water's edge. America has an international mission, to work for peace and democracy throughout a world too often afflicted by war and oppression.

For over forty years we have borne this burden. I think Americans should be proud of our record. We've kept the peace. We've deterred aggression. We've secured alliances and friendships on every continent, in every corner of the globe. Led by the American economy, we've seen unprecedented global international growth. And for the past eight years, we've helped democracy to spread and take root all around the world.

But the fact is, we're facing new challenges, and new opportunities. The post-war era is over. The world is changing fast and the next century will soon be upon us.

That's why it is all the more important for us to understand the role that our defense has played in securing the peace. The role our military forces must continue to play if America's future is also to be secure. And this election is a referendum about that role. Whether America will continue its policy of peace through strength. And which of us, myself or my opponent, knows how to maintain America's strength and how to use it to keep the peace.

Today, Americans can face the world with our heads held high, with pride, confidence and optimism in the future. What a dramatic change from the situation we faced eight years ago, when we were simply unprepared to deal with aggression. And why? Because other nations, friendly and unfriendly nations alike, knew that many of our Army Divisions were unready, that we had aircraft grounded for lack of parts, that we had ships unable to sail for lack of crews and ammunition. That we had an

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increasingly low-tech military in an era of high-tech defense systems. They knew that our diplomats simply lacked the negotiating leverage provided by a strong defense -- the knowledge that we could deter aggression because we were capable of defeating it.

President Reagan and I worked to restore our diplomatic credibility and flexibility by rebuilding our defenses. We called our policy Peace Through Strength. Some people may not like those words, but I'll tell you this. That policy was supported by the American people in 1980, reaffirmed in 1984, and it's going to be reaffirmed again in 1988!

What did it mean to restore our strength?

Let's look at readiness:

Since 1981, overall ship readiness has increased 125%.

Let's look at training:

Since 1981, live fire training exercises are up 30%. And the 1987 Reforger Exercises featured the largest trans-Atlantic deployment of US forces to Europe since Normandy.

Let's look at equipment:

Since 1981, stocks of prepositioned equipment in Europe have grown three and one-half times. The firepower of our heavy armored and mechanized divisions has grown by 25%. In 1980 our Air Force, Navy and Marine fighter squadrons had only 600 late model planes. Today, they have over 2,500 top line fighters -- a four-fold increase. The number of US Navy major surface ship combatants has grown by 41%.

And above all, let's look with pride at the brave young men and women defending us today. Equal to the best in our history, according to each member of the Joint Chiefs of Staff. And 93% high school graduates, compared to 68% in 1980.

In short, America is standing tall again.

But you know, if that was all we did, the critics might be right to claim that we didn't have a national security strategy. Because if there is one lesson of the post-war era vital to our security, it is that arms and diplomacy must go hand in hand. Our defense policy and our foreign policy must work together if we are to succeed.

So we did that. We coordinated our defense policy and our foreign policy. And, notwithstanding the critics, we succeeded. We used our strength to pursue peace.

The critics said, you'll never bring the Soviets to an arms control agreement if you build and deploy intermediate range missiles in Europe. We did it and the INF Treaty, the first to destroy a whole class of nuclear capable weapons, was achieved.

And in the process two significant precedents were set.

First: asymmetrical reduction -- the Soviets took out many more warheads than we did.

Second: on site intrusive verification. Both principles have applicability for the arms control agendas of the future.

The critics said, you'll never get strategic arms reduction on weapons with the Soviets if you modernize, or if you launch an SDI program. We did it and the START talks, which promise a 50% reduction, are well underway.

The critics said, American military power is useless in dealing with terrorism and aggression. Well, tell that to the students who were rescued in Grenada, to the happy people of that island now living under democracy. Tell that to the victims of Libyan terrorism and aggression.

The critics said, American strength can't help the victims of Soviet aggression. Well, tell that to the Mujahedeen, the tortured people of Afghanistan.

So I'm for continuing the policy of peace through strength because it works.

As I've said, our program in 1980 was to rebuild our defenses, put our diplomacy on a sound footing so we could stop aggression, advance arms control and help democracy. As a nation, we invested a great deal and worked hard. And we did it. We have a strong defense. And if I'm President, we're always going to have a strong defense!

Now the issue is, how are we going to preserve that strength, keep that leverage for the challenges ahead of us? For make no mistake, we are facing very challenging circumstances.

First, although some may not want to talk about it, our adversaries have not been idle while we've been making up for lost time. Soviet military spending has not slackened. The Soviet tank armies are still poised to take the offensive in Europe. So we cannot rely on good intentions alone in East West relations. So long as the capabilities for aggression are there, we must be able to deter it.

Second, defense technology is changing. Electronic warfare techniques call for the most modern command and control systems. New conventional weapons are emerging with much greater range and

firepower. Impressive strides are being made in missile defense. Submarines are quieter. The Stealth aircraft technology is nearing deployment. We cannot afford to fall behind in modernizing our defenses.

Third, while balanced nuclear and conventional forces are still the heart of our defense, the relationship between them is changing. We are moving toward smaller nuclear arsenals, more complex conventional weapons. Arms control negotiations are going to be radically affected by our choices.

Fourth, after completing our recent build-up, we are facing important fiscal restraints on our resources. We do not need major increases in defense spending nor can we afford major decreases. We do need to spend more efficiently.

Now there are some who pick just one of these challenges and say we can ignore the rest. My opponent, for example, emphasizes conventional defenses while he's viscerally uncomfortable with anything related to our nuclear arsenal. But the truth is that conventional defense alone can't do the job of deterring war. We've kept the peace for forty years because we have understood the relationship between conventional defenses and nuclear forces -- that they work together to raise the cost of aggression at any level of force, nuclear or conventional. But an excessive focus on conventional defense ignores this sound strategy. And it also ignores the reality that conventional forces are by far the most costly part of the defense budget. A new armored division costs \$3.8 billion. Another day's readiness costs \$2 billion.

We must deal with all of the challenges to our security in a balanced and realistic way and because we've been successful in restoring America's strength, we're in a good position to do so.

I see four essential questions that must be answered correctly if America is to have a secure future.

First, how are we going to modernize our land-based deterrent?

My opponent, trying desperately to jump into the mainstream, now says he recognizes that we need such modernization to preserve our triad of land, sea and air nuclear forces. But there is strong reason to doubt that he would do it, especially when it comes to modernizing our land based missiles. He still opposes the MX and he thinks the Midgetman costs too much. So he says he's going to work with Congress to find another way.

Wake up Governor, we've done all that. In 1983, we developed a bipartisan consensus on the road to modernization called the Scowcroft Commission. Senator Nunn supported it. Senator Bentsen supported it. The Commission called for the deployment of a certain number of MX's as a stop gap and the

development of a mobile ICBM -- called the Midgetman -- as the basis for a new generation of deterrent forces. More recent studies favor an MX on-rail garrison. The real choice now is to find a possible mix between the two, not to reopen the issue all over again. It would take a decade to develop another new weapons system, leaving our land-based missiles increasingly vulnerable and obsolete.

And my opponent has said something else that should give Americans reason to doubt his intentions. He has said, "Nobody is going to tell me that we need to continue testing." Well, Governor, if we don't test our weapons, if we ban ballistic missile flight testing, as you've also suggested, how in the world are we going to develop new weapons? How are we going to retain confidence in what we've got in the arsenal?

These are the facts, Governor. We need to modernize. We need to test. And we can't defend America with blueprints!

I'll work with the Congress to phase in the Scowcroft Commission plan, not to waste a decade running away from the problem. That's just another freeze -- declared or otherwise -- on modernization.

It's especially important to move this issue quickly. For in the absence of an American willingness to modernize our ICBM's, we will reduce our leverage to achieve our objective of diminishing the Soviet first-strike threat. The freeze tactic didn't work with INF. It won't work with START.

Now the second question we've got to answer. Are we going to continue the Strategic Defense Initiative? My opponent has discovered belatedly that what he calls a "fantasy" is no fantasy to America. I want to research and to deploy a missile defense system, as soon as it's practical. And the White House Science Council -- a bipartisan group of eminent scientists -- has just reported that there is "solid technical progress in just about every facet of SDI."

My meeting at Martin Marietta with leading specialists on SDI research has added to my confidence about the future of strategic defense and the emerging possibilities. We're making headway on interceptor technologies and on a space surveillance and tracking system -- and these advances have already led the Defense Department to reduce significantly its estimates for the cost of a phase one deployment.

I'm determined to press ahead. I will not leave America defenseless against ballistic missiles.

And doesn't it make sense to consider a brand new system that threatens no human life -- that goes after no weapons on the ground anywhere -- that only guards against incoming missiles.

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We need to make choices on defense. And as we move ahead with plans to modernize strategic and conventional forces we will need to do it within budgetary constraints. One tool for helping to make those choices is the use of the concept of "competitive strategies."

No, we're not going back to a one ocean Navy for a three ocean commitment!

competence. problems, shortage of trained people, more accidents, less to go around, longer sea duty, family strains, enlistment the late 70's and you know what happened. Fewer carriers and men to cut our naval commitments, only our forces. We did that in matter. But just consider this. The Governor does not propose Qadhaifi, or our role in the Persian Gulf, then the carriers don't oppose our liberation of Grenada or have doubts about hitting total lack of understanding of our military. Of course, if you my opponent's willingness to cut two carriers indicates his

Governor, it's time to stop running down our defenses!

as fast as the manufacturer can do it. of wing cracks, not one-third. We've got the money to fix them opponent's claims, only a few of the A-6's are grounded because -- to fill the carrier decks in wartime. Notwithstanding my 1980. We've got the combat aircraft -- Navy, Marine and Reserve fighting capabilities have improved by an average of 60% since state of our forces. It's not 1980 anymore. Our divisional war spreading, what I'll call charitably, "misinformation" about the And another thing. It's time the liberal Governor stopped

suddenly discovered. forces, armor-penetrating munitions -- that my opponent has stocks, the war reserves, the early mobilization of European NATO in May 1983. It covers all those items -- the ammunition Defense Improvement Program, the REAP CDI, and it was approved by conventional defense initiative. It's called the conventional programs. But here are the facts. We already have a cancellation of strategic defense research and other strategic initiative to be financed from "savings" -- by that he means forces? My opponent has talked about a conventional defense Third, how are we going to further improve our conventional

money. Why spend a dime, if you think it's a fantasy? deep cuts in SDI research back to a level that's just a waste of radar at Krasnoyarsk. And what is your response? To argue for Governor, the Soviets are already violating the Treaty with their spend a billion a year on the "fantasy" of SDI so that if the But what does my opponent want? He now says that he'll

Competitive strategies is a concept as American as apple pie. It's just plain common sense applied to our military problems. The idea is simply this: we should invest in military systems that play to our strengths, not Soviet strengths. Competitive strategies recognizes that some weapon systems are likely to have a greater effect on the Soviets than others -- either raising the Soviet uncertainty about being able to carry out a successful attack and therefore bolstering deterrence or giving them a reason to invest in weapons that don't threaten us.

Let me explain what I mean. The Soviet military is very rigid; decision-making is highly centralized; there is little delegation of authority or room for improvisation at lower command level; Soviet military doctrine and plans particularly in Europe permit only limited variation. This very rigidity creates an opportunity. If the Soviet plan can be disrupted, or if the command and control links can be broken so that Soviet forces at lower levels are forced to improvise and act on their own, the Soviet military will become more and more uncertain about the possibilities of success. And that's going to make them less likely to attack in the first place.

That's why competitive strategies emphasize emerging weapons such as stand-off missiles, remotely piloted vehicles, multiple rocket launchers, and stealth systems that can disrupt the rapid movement of Soviet forces, their command and control and their ability to carry out their plans.

The competitive strategies approach is designed to get us to think smart and to rely upon our advantages in new technologies.

This initiative, coordinated with the already existing NATO plans, will help to give us extra punch from our conventional forces.

Now for the fourth question: How to reform the Pentagon and the procurement process to give the American people a more effective defense?

On this issue my opponent and I share a rare agreement. We both denounce fraud, waste and abuse. And we both favor the Packard Commission reforms.

The real issue is, who will best carry them out?

Well, the head of that Commission, Dave Packard, supports me and not my opponent, for a good reason. He knows that I'm going to put his reforms into effect because I understand that those reforms can't be carried out piecemeal -- can't be directed only at the dedicated Pentagon professionals trying to do their jobs but also must be directed at the Congress of the United States -- a problem my opponent never mentions.

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In the last five years alone, the congress has forced the pentagon to spend billions on weapons we don't want and bases we don't need.

That's why we should work with Congress to change our complex procurement laws, that beg to be abused and combine all of them into one single government-wide procurement statute.

That's why we should move to a two-year budget cycle and multi year funding for major weapons systems.

America's security shouldn't have to get on the Congressional budget roller coaster every year.

And that's also why we must cut the bureaucracy, and I don't mean cutting the guys who repair the ships and fix the planes. I mean eliminating unnecessary layers of senior and middle management, often mandated by Congressional micro-management, that just pile on the paper.

American history tells us that we've always done best in defending our country when we've been united. I think that lesson applies not only in war but also in peace. So the way to carry out the Packard reforms is not to point the finger of blame but to extend the hand of partnership. To establish a new compact with the Congress and to work together so that we give the American people a more efficient and capable defense. That's why if I am elected I pledge to work with the Congress of the United States to carry out our national security goals. On questions of our security, we're not Republicans or Democrats, we're Americans. As President, I want to do all I can to restore and revitalize that bipartisan spirit in foreign and defense policy.

You know, our Constitution makes the President also the Commander-in-Chief for a good reason. Our founders understood well that military force exists not for its own sake but to support our foreign policy, our national interests. A President must be a shrewd protector of those interests. As Teddy Roosevelt said, "No public men have a right, whether from shortsightedness, from selfish indifference, or from sentimentality, to sacrifice national interests which are vital in character."

And what are those vital interests today?

I truly believe that America has the opportunity over these next few years to bring about a more secure world. A more peaceful world. A world of more democracy and more freedom. And that's where our vital national interests are to be found.

I believe that I have the experience to protect those vital interests, to use our strength to advance peace and freedom. And

that's what this election is all about: that is what's at stake.
Do we continue peace through strength? I say yes. And there's
another thing I say. I'm running hard. I'm standing on the
issues of what kind of America we want and what kind of American
values we want. And I mean to win.

Thank you very much.

♦ ♦ ♦ ♦

George Bush for President

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FOR IMMEDIATE RELEASE
WEDNESDAY, SEPTEMBER 14, 1988

EXCERPTS OF REMARKS BY
VICE PRESIDENT GEORGE BUSH
SUN MAID GROWERS
KINGSBURG, CALIFORNIA
WEDNESDAY, SEPTEMBER 14, 1988

I will be here in California again and again before November because this is a crucial state in this election... and because we have a mission this fall -- a mission that will shape America's future into the next century.

It is a mission of hope for a safer and more peaceful world, and for a growing, optimistic America. That's what's at stake in this election. That's why I'm running hard. Working hard. And I mean to win.

Less than 8 weeks from now, you're going to go to the polls and have a choice not just between two men, but between two very different philosophies, two ways of looking at the world.

Look at what my opponent's been saying: He says we can't afford another four years of the economic policies which President Reagan and I pursued. He thinks that America's best days are over -- that doom and gloom are just around the corner.

I see a different America. I see an America in the midst of the longest peacetime expansion ever. Exports and employment are at record levels.

I know that the Reagan-Bush Administration is the first since World War Two to reduce both inflation and unemployment at the same time.

And I know that Americans in every income category are certainly better off than they were eight years ago. Real family income fell under Jimmy Carter and Walter Mondale. It has risen under Ronald Reagan and George Bush.

Most of all, I see an America still on the move -- and America whose best days are yet to come!

The America of a Bush Administration is still growing, resurgent in world markets, leading the world in job creation.

We've worked hard to rebuild America's economic strength -- and we're not going to let them take it away.

California agriculture is special... There is agriculture, and there is California agriculture... the Number 1 farm state in the nation.

The '80s have been tough years for some farmers...but there is strong evidence now that the '85 farm bill is working. You've benefited from the TEA bill, the targeted export assistance program which has helped us counter unfair trade practices abroad. Farm exports are up 30 percent, and this year California agriculture will set another cash income record. And we're going to keep setting records for California growers.

Recently my opponent has been using the phrase "economic patriotism." I'm not sure I know what that means. If it means making American products the best in the world, I'm all for it. If it means making a personal choice to buy American products, I'm all for it.

But I suspect that it means something else. I suspect that, to the stealth candidate with the hidden agenda, "economic patriotism" is nothing but a code word for protectionism.

No one knows better than you the dangers of protectionism. California is the gateway to the Pacific basin. Your future depends on free and open trade. You're not looking for a guaranteed market, just the right to compete. And let me say this, given a level playing field, American farmers, like American workers, can compete with anyone in the world!

In agriculture, our productivity is our greatest strength... just 2 percent of our population feeding the other 98 percent -- and much of the rest of the world as well.

We need farm policies designed to help farmers sell everything they can produce. We need to open up foreign markets and develop new markets for our crops at home.

My Administration will help farmers export more, not force them to produce less. Those who call for stringent supply controls -- including my opponent -- have been proven wrong before, and they are just as wrong today.

By lowering output and raising prices, they would make our products less competitive abroad and cripple our farm economy. That's a "can't do" attitude that would say to foreign competitors, "We give up."

With our more competitive dollar, I am confident we can sell our products anywhere in the world. Our second quarter trade deficit was down 25 percent from a year ago, almost a \$40 billion improvement on an annual basis.

Just today, July trade figures are out showing that reductions in the trade deficit and in imports are the highest in 2 1/2 years. We need a President who understands both farm policy and foreign policy.

Every year, the President meets with the leaders of the free world at an economic summit. Next year, I will urge that the summit focus on agriculture.

I've met with our trading partners. I've sat at the negotiating table. I will be an effective voice at that table for America's farmers.

I applaud the reduction of trade barriers within the Common Market, but I will oppose any attempt to create a fortress Europe that would close the doors to our products.

I understand that the rice millers are filing a petition with the U.S. Trade Representative today asserting unfair trade practice by Japan. Under the law, the U.S. Trade Representative now has to decide whether to accept the petition and take action on this claim.

We have had substantial success in prying open Japan's barriers of agricultural imports in recent years, including an agreement this year on beef and citrus products which should result in a billion dollars of new Japanese imports.

I urge the U.S. Trade Representative to take action on the rice miller petition, so we can maintain the pressure against barriers to our exports around the world. If the U.S.T.R. does not initiate action, we'll bring our claim to GATT, but that route should not be our only one. At our initiative the present Multilateral Uruguay Round offers a good opportunity to break down barriers to agricultural exports around the globe. We need to press the rice claim in that setting as well.

As I said yesterday in Chicago, a Bush Administration will work to knock down barriers that keep American goods and services out. No exceptions. No excuses. As today's trade figures continue to demonstrate, our more competitive dollar, combined with our active policy of negotiating market-opening agreements, is turning the trade deficit around through booming exports -- not protectionism.

Let me also say just a word about immigration. I recognize how important guest workers are to you in harvesting your crops, and I support the provision in the immigration reform bill that allows you the workers you need.

A word about water -- my opponent wants Federal interest in allocating water rights in the west. Like you I want the states to have control of water rights.

I support what Governor Dukakis has said about the grape boycott. Unlike my opponent, I do not support the grape boycott. That is another difference between us.

In the next eight weeks, you'll see my opponent going around America, sowing seeds of pessimism. But I'd advise you to put your faith in "Republican futures."

We've spent the last eight years laying the foundation for a better America. We've strengthened the peace, and we've ushered in a new era of economic growth -- and we're not going to let them take it away.

You have a choice this fall:

Between low tax policies pioneered by Ronald Reagan and George Bush, and high tax policies imported from Massachusetts;

Between a commitment to peace through strength honored by Ronald Reagan and George Bush, and the untested foreign policy views of a man who's opposed every new weapon since the slingshot;

Between leaders who would put criminals behind bars; and a liberal Governor who let first degree murderers not eligible for parole out on furlough;

Between a man who favors the death penalty and one who opposes the death penalty;

Between a man who believes that the new pride we've built in America can carry us forward, and one who wants to change all that we've accomplished in these last eight years.

Only one man can keep America strong and keep America growing in the 1990's.

And ladies and gentlemen, I am that man.

Thank you all very much.

♦ ♦ ♦ ♦

George Bush for President

FOR IMMEDIATE RELEASE
Monday, August 8, 1988

EXCERPTS OF REMARKS FOR
VICE PRESIDENT GEORGE BUSH
REPUBLICAN PLATFORM HEARINGS
NEW ORLEANS, LOUISIANA
MONDAY, AUGUST 8, 1988

Good morning. I am happy to be in New Orleans this morning to help you kick off these proceedings; to begin the process of outlining a Republican vision for the future of America.

This process will continue throughout the fall; but it will be highlighted during these next two weeks, as we gather here in New Orleans not only to nominate a candidate for President but to make our case to the American people.

For these next two weeks, the eyes of America will be upon us; and I'm proud to say that we welcome the attention, we welcome the scrutiny, and we welcome the chance to state in clear terms -- without hiding behind rhetoric or disguising in false words -- what we as Republicans believe.

I have to confess: I had originally intended to come before you to make a presentation about drugs -- because I believe that drugs are an insidious danger, lurking in our schools and neighborhoods. They threaten to snuff out the candle of opportunity which President Reagan and I have worked so hard to re-light during these last eight years.

There is no single specific answer: We must move on all fronts. I have put forward several specific proposals to staunch the flow of drugs into this country, and to curb demand here at home. I've proposed tougher sentences for pushers, including the death penalty for kingpins who deal drugs. I've proposed further involving the military in the drug eradication effort abroad, and beefing up the Coast Guard's ability to patrol our waters.

I have unveiled ideas to increase available prison space to make our tougher sentences possible, and I've proposed education and rehabilitation programs to prevent users from ever getting started, and to cure those unfortunate ones who do.

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But as I thought about the problem in depth, I realized that at its core the drug problem is a problem of values.

More planes, boats, and helicopters will help us stop the drug problem, and tougher sentences will contribute as well. But to win this war, we must begin the fight early in life -- with education. Because ultimately, the most important weapons in the war on drugs are the least tangible: self-discipline, courage, character, support from one's family, faith in God and in one's self.

The answer, in a word, is values. If we want to stop our kids from putting drugs in their veins, they must first have good ideas in their heads and moral character in their hearts.

All of us in society must help in changing and building values. "Zero tolerance" is more than a tactic -- it's an attitude.

As I prepared for this appearance, something else happened as well. The Democratic Party met in Atlanta. There, they declared that "this election is about competence, not ideology."

They tried to convince America that ideas don't matter.

For four days, the Democrats worked hard to disown their past and disguise their future. They spoke in glittering generalities and comfortable code words, but said nothing specific about how they would govern.

They couldn't. Their true intentions -- to raise taxes, to weaken our defenses, to unleash a flood of budget busting spending -- not only don't make good television, they don't make good government. America's been down that road, and the result was double digit inflation, interest rates over 20%, and a decline of American influence around the world.

Now that America is back -- churning out more jobs than all of Europe and Japan combined -- who would want to risk a reckless reversal of course? The answer, of course, is no one.

So the Democrats had no choice. They had to wrap their liberalism in more conservative clothing.

But don't be fooled. These are the same wolves who've devoured every tax dollar in sight.

The New York Times reported that 67% of the delegates to the Democratic convention wanted a tax increase; but that 65% thought the platform should not mention it. This is the smoking gun of the Democrat's campaign of concealment.

The Democratic platform was the centerpiece of that campaign. Time magazine labelled it "a model of vagueness." A better name might have been "document of deceit."

The true Democratic platform was revealed last month not in Atlanta, but in Boston. There, in response to an increasingly severe budget crunch, the Governor signed a tax increase of \$180 million. In time of crisis, the Governor once again turned to raising taxes as a first resort. Vague rhetoric to the contrary notwithstanding, taxes are the addiction of the Democratic party. They suffer from chronic spending abuse and taxpayer dependency.

Harry Truman was reported to have once said: "If you can't convince them, confuse them."

As the Democrats in Atlanta continued their long march away from Truman's legacy, at least they adopted his words. While sympathetic onlookers applauded, they tried to make a virtue out of public deception.

My own values are different: I believe that misleading the public is nothing to cheer; that political manipulation is no crowning achievement.

I have come before you this morning because I believe we should pursue a completely different course.

I have come before you because we Republicans are proud, and not ashamed, of what we stand for. I believe we should make our principles, and our policies, crystal clear to the American people.

Our campaign will be different -- because ideas do matter. We are poised at the edge of a new era, and the American people deserve to know where we will lead them. We need to make this campaign a plan for the future, a statement of solutions, not an exercise in evasion.

In 1980 and again in 1984, we promised to reduce taxes, to cut interest rates and inflation, to promote economic growth, to slow the increase of Federal spending, and to restore America's place in the world.

That is exactly what we Republicans have delivered.

Our vision of hope was based on a simple premise, stated best in the 1984 platform: "From freedom comes opportunity; from opportunity comes growth; from growth comes progress."

This morning, I ask you to join me in laying out a new blueprint for freedom, a new road-map for opportunity in the 1990s.

This election represents a very clear choice about what that blueprint will look like. It is a choice not only between two candidates, but between two Parties, two philosophies, two entire sets of values.

The Democrats have tried to blur that distinction; our task is to make it clear. Our values in the Republican Party are traditional American values: not only faith, family and community; not only respect for the flag and the pride to salute it in our schools; but values like freedom from excessive taxation; encouraging, not smothering, the little guy with the big idea; and keeping America strong.

Our Republican policies have ignited a record breaking explosion of economic growth. Over 17 million jobs have been created in just the last six years, the longest expansion in peacetime history, and today, more people are at work -- at higher average real incomes -- than at any time in American history. The Republican legacy in these last eight years had been -- literally -- "good jobs at good wages."

But that was yesterday and our concern now is tomorrow. The past is useful as a guide to the future, so this morning it is fair to ask: do we want to build on the foundation that Ronald Reagan's policies have laid, or do we want to risk our renewed growth and strength on a new and untried leader with some very old ideas? Does America really want to tempt recession at home and aggression abroad by inviting an inexperienced hand to recycle failed policies that threaten to smother our economy and frighten our allies? Or do they want a man with new ideas for new problems -- and who does what he says he'll do?

We now have the chance to write the next chapter in the continuing story of American economic leadership by pursuing the low-tax and high opportunity policies that have spurred our growth. Let's seize it.

When the voters go to the polls this November, they should have as clear a picture of the candidates, of the Parties, and of the philosophies behind them as possible.

Over the course of the past year, I've travelled all over America. I've spent time in the kitchens of New Hampshire, on the farms of Illinois, in the classrooms of Los Angeles. As I've met with Americans, I've laid out some specific policy proposals for how I would lead this country as President.

So this morning, let me tell you what I'm for.

I'm for economic opportunity. The tax cuts we enacted in 1981 have unleashed 68 months of economic growth. My opponent doesn't understand that. So at every stop, I have made an iron clad commitment that I will repeat here now: I will not raise your taxes, period.

In Atlanta, I proposed to create jobs by cutting taxes further. I proposed to cut the maximum rate on capital gains to 15% -- not to help the rich, but to help launch the new small businesses that are the source of most of America's new jobs.

I believe that the way to cut the Federal deficit is by reining in spending, not by rounding up more taxes. So in New Hampshire, I proposed a flexible budget freeze that combines the ability to address our priorities with the discipline on spending to meet our obligation to future generations.

America's workforce is changing. In Albuquerque, I proposed to help low income families balance the demands of work and family by proposing a comprehensive child care plan. The plan includes a Children's Tax Credit for America's families -- one that does not discriminate against families which choose a neighbor, relative, church or synagogue to help care for their kids, and one which doesn't discriminate against families where one parent cares for children at home.

Two years ago, I went to Canada to help negotiate the Free Trade agreement with Prime Minister Mulroney. This reflects the approach I've outlined on trade: let's knock down barriers, not build them up. And as we pursue free trade, let's pursue fair trade as well.

In Hackensack, New Jersey, I detailed my approach to combatting the problem of drugs, one that combines tougher enforcement, prevention, interdiction, and perhaps the most important ingredient of all: leadership.

In Seattle, I outlined my approach to the problems that confront our environment -- an approach that includes faster action to clean up toxic waste, a tougher line on acid rain, expanded parks and greenways, and international cooperation to stop problems like acid rain and ozone depletion.

On the Jersey shore, I proposed an end to the ocean dumping of sewage sludge; and more aggressive enforcement of laws to prevent the illegal dumping of medical wastes in the ocean.

I also released a comprehensive plan for making America less dependent on foreign oil. We must both stimulate our domestic oil industry and build a multi-source energy base.

And back in Washington, D.C. I unveiled a plan to help us compete in this changing world by investing in the minds of our children.

All of these proposals spring from a fundamental set of beliefs about what can make this country great. Yes, they're Republican beliefs. But it runs deeper than that. Above all, they're American values.

You see, I'm for a strong and growing America.

I'm for an America where every person has the chance to go as far as their God-given ability will take them.

I'm for an America with it's eyes fixed on the future. That's why I've proposed plans to improve education: from increasing Head Start for youngsters to the creation of tax-free College Savings Bonds to help families save for college.

I'm for an America where values like faith and respect are honored -- and where every child should have the right to say a voluntary prayer at the beginning of the school day.

I'm for a safe America -- one where the young and old alike can walk the streets of their neighborhood without fear. So I'm for a tough approach to crime. I'm for the death penalty for awful violent crimes. I'm for the death penalty for people who kill police officers. And I'm for the death penalty for drug kingpins who peddle poison to our young people.

I'm for an America where honesty counts -- and I've spelled out in detail my plan for making sure that all government employees -- whether they work in the White House, the agencies, or the Congress -- are held to the highest ethical standards.

I suppose there is no area in which the kind of America I'm for, and the kind the Democrats would deliver, is more different than one they're afraid to talk about. Their nominee spoke for 50 minutes in Atlanta and failed to mention the most important issue of our time: how to make the world a safer place in the 1990's.

Several times this year, and just last week in Chicago and Corpus Christi, I laid out my vision for meeting the challenges presented by a changing and complex world. I

outlined a realistic approach to relations with the Soviets, and proposed to combine modernization of our forces with real progress toward strategic arms reductions.

I proposed to develop and deploy a strategic defense system as soon as possible. I called for new steps to halt the spread of chemical and nuclear weapons -- and the ballistic missiles that deliver these weapons of terror -- to unstable regimes, I suggested a framework for approaching some of the world's more troublesome hot-spots, and proposed an international war on drugs. Perhaps most importantly, I stated clearly that we should support those brave men and women who are carrying on the struggle for freedom around the world.

My opponent has been silent at best -- and unsteady at worst -- on all of these issues. At first, he favored a nuclear freeze that would have made our arms reduction progress with the Soviets impossible. Last week, at first he said he still was, and then he changed his mind. Such vacillation may be riskless in a campaign, but in a dangerous world, it could prove to be disastrous.

Except for opposition to virtually every weapons system that would ensure our security, my opponent's policies are invisible.

He's the stealth candidate. For while he can't decide about the stealth bomber, he favors instead stealth policies -- they can be neither seen nor heard. His campaign jets from place to place, but no issues show up on the radar screen.

My fellow Republicans, that are the differences between the two candidates, and between the two Parties. On the one hand, you have a solid record and a demonstrated willingness to state ideas for the future. On the other, you have a retreat from past responsibility and a hope that no one will ask what the future may hold.

We Republicans favor these policies not out of some desire to help one group of Americans over another, not out of blind adherence to ideology, but because they work. They produce the greatest good for the greatest number of Americans.

Four years ago, we declared ourselves the Party of Hope and promised a new dawn of the American spirit.

Today, with that hope in full flower, we can see the American spirit rising and exercising its inspiring influence all over the world.

Now is not the time for full retreat; it is the time for renewed optimism and bold, forceful action. Your task this week is to lay out our vision for a future of hope and opportunity for all the world to see.

Let's be proud of the ideas we have, of the values we hold, and of the country we love.

Thank you very much.

■ ■ ■ ■

George Bush for President

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FOR IMMEDIATE RELEASE
THURSDAY, MARCH 10, 1988

EXCERPTS OF REMARKS BY
VICE PRESIDENT GEORGE BUSH
THE GOVERNOR'S CLUB
CHICAGO, ILLINOIS
MARCH 10, 1988

Thank you.

It's wonderful to be here. There's no better place than the land of Lincoln to talk about what I want to discuss.

I arrived in Illinois this morning and I'll be here for six days. Your great state is a very important part of a very important process. We are choosing a President, all of us, together. It's pretty rigorous and demanding, this system, and not only for the candidate. You have to know us -- try to get a sense of who we are, what makes us tick.

You have to decide who has the character to be President, the wisdom and depth and steadiness for the job. You have to know the issues, and whether you agree with my stand or the other fellows'. And we, the candidates, have to get across who we are and reach as many people as we can, and sometimes talk about issues that seem a little esoteric and do it in an interesting way so that people will listen.

It's hard. But it's the best system in the world, and it's working, it's working here in America every day as the Republicans and the Democrats go out there and say: Vote for me, here's why.

I think increasingly of Churchill: democracy's the worst system -- with the exception of all the others.

I've been crisscrossing America. People talk about the differences of the various regions, but what I'm struck by are the similarities. We might sound a little different or dress different but when it comes right down to it we all want the same things. We want our children to turn out well and to have a future that's as bright as the one we were handed. We want prosperity, but not only for ourselves. We want it to spread so that it touches every citizen in the land. We want peace. A prosperous nation is a peaceful world. We don't want perfection -- but we think we can achieve a lot with shrewdness and wisdom. And we're right.

A man who's out of work downstate looks pretty much like the man who's out of work in Savannah -- same strain on the face, same hard lines on the brow. You travel this country and talk to people and you realize: it's true, we are brothers and sisters, and we are responsible for each other.

What can we do to help people who aren't part of the current prosperity?

The next President will have a big part in answering that question. It's the next President who will decide whether we build on what we've accomplished and go forward -- or go back, turn back, run back to the old answers and the old remedies.

Well we mustn't turn back. But neither can we be complacent.

I am proud to have been part of a major change in public policy. They call it the Reagan Revolution because it was revolutionary. It made a fundamental change in how we view the essentials -- taxes, how much of your money the government should get, what you should expect of your government in return. It made a fundamental change in the way we'd been going in terms of our military defenses and our place in the world.

You know the results. Greatest peacetime economic growth in our history, strengthened defense, the Soviets come to the bargaining table. But it's not a complete triumph. It's only a beginning.

From here, from now, you build.

You make that prosperity even stronger and more pervasive -- you continue, in foreign policy, to push for more freedom in the world, because freedom builds stability -- and you remember who your foes are and keep them close to you at the bargaining table.

We've got a problem with the deficit. The other side says "Raise taxes." I've been in government a long time and I've seen what happens when the government raises a dollar in revenues -- the Congress spends a dollar fifty in expenditures. If we raise taxes to close the deficit, Congress won't close the deficit. Congress will spend more money, and make the deficit worse. On top of that, raising federal taxes would only slow the economy. And we don't want to slow growth, we want to spur it.

What's the answer. Well, let me tell you what I'm going to do. I'm going to freeze spending, get out the waste, remove the things we don't need. I'm going to get, down the road, the line item veto. I'm going to refuse to sign another Omnibus Spending Bill. I'm going to tell Congress that I just won't sign another one of those monsters -- and if they tell me that in that case they will close the government down, I will have one answer: Then close the government down.

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There's more. On Day One of the Bush Presidency I am going to name negotiators to represent the executive branch in decisive deficit negotiations with the Congress. I am talking about a Deficit Summit and I am personally going to head the Executive Branch Negotiating effort. We are going to meet and talk and maybe even shout -- but we are going to solve this problem.

You may be thinking: how the heck is he going to do that? I'm going to do it with you. I'm going to do it with your help and Illinois' help, because I'm going to campaign on this issue and these answers and when I win -- when I win I'm going to take that consensus into the negotiations with me. I'm going to take that mandate from Republicans, Democrats and Independents and make something with it.

We're going to show Congress and show the spenders and the left and the liberals that we mean it this time -- we mean business -- the old ways are over, we've got to push on. I think every factory worker and farmer and small business person will support me on this -- hold the line on taxes -- get spending under control at last.

And that's not all. We've got a trade problem. On Day One of the Bush Presidency I'm going to contact our economic allies and tell them that we have to sit down and meet on our problems with agriculture. It's time. It's more than time it's overdue.

On defense, there are those who'd balance the budget by cutting our defense spending. Well, we didn't make all this progress and finally bring our defenses up to the level they're at just to slide again a few years later. I want the men and women of our armed forces to have the best training and equipment possible -- and if that costs money then so be it. I want America's defense systems to be state of the art, and if that costs money then so be it.

But I'll tell you, there is waste in the Pentagon. Have you ever seen the Packard Reforms? It's a blow by blow report ~~on how to clean up defense procurement~~. Procurement practices for the most part -- foisted off on DOD by Congress. We've made some progress, but much more needs to be done. We can save money -- and have a better defense system too.

We're going to build on arms control, if we can. We've done well so far, because we've been strong. It's good to know Mr. Gorbachev, he's an interesting man, I've spent time with him, he has things to say. They're publishing "Dr. Zhivago" in the Soviet Union this week. People are reading it on the streetcars on the way into work. Very interesting. Clearly something is happening in the Soviet Union. In time we'll know if it's only cosmetic.

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perhaps it's deeper, maybe much deeper. We'll keep our minds open... and our powder dry.

We've got education issues to look at. The Reagan Revolution put the idea of values back in the national consciousness. We have work to do in discipline, so our children even in the poorest schools of the poorest ghettos can have a chance to learn something. When I talk about education those are the schools I'm thinking about. I want to help the principals who are trying to maintain order and get drugs and violence out. We have work to do in that area, certainly. New voices are being raised asking: are we really doing all we can to fight drugs? Really? Everything we can? We've taken a second look -- but maybe another look is in order. Real hope for all our kids can't come until drugs go out.

I want to look again at ethics in our government. I am personally disturbed at the breaches of ethics I have seen the past few years in government. Once elected, I'd appoint an ethics panel to work right there in the White House. I'd have them draft a new and specific code of ethics. I want to review the conflict of interest regulations and establish a formal strict Code that will help us avoid the excesses of the past. When a Congressman goes bad or someone in the executive branch violates the public trust it hurts. I'm tired of being embarrassed. I'm tired of our children seeing things that should embarrass us all. People at all levels of government should come to serve not to profit.

So -- clearly I have big plans. But they're the only kind to have, and today I've touched on just some of them.

I need your help. I want to lead this country, not so I'll be a big man but so I can do big things.

I mean to help our nation move forward and push on into the future. There's no going back, no hiding, no turning back to the policies of yesterday, the policies of failure. Out there -- that's the future.

And as we journey there together I'll give you an image that stays with me. When I'm in a motorcade in the cities I'll look up sometimes and see the lights in the homes and the apartments. You see people waving and watching as you go by. I look for families. I look for young people. Now and then I'll see a student with his head bent down, reading something in the glow of a lamp. And I'll think, that child -- that's what it's about.

It's up to us and no one else to see that the young get the same chances we did. That they go to schools that really teach, that they come of age in a time of prosperity and peace, that they know a vibrant nation.

Because, that child in the light -- that's America.

Now you know of my plans, and my hopes. And I hope you can help me, I hope you feel I deserve your support.

And I thank you for sharing with me this joyous time, in this joyous place.

Thank you.

9/13/88

GEORGE BUSH STATEMENT ON ECONOMIC FORCES FACT SHEET

Today, Vice President George Bush discussed the forces shaping our economy and outlined the basic economic principles which will guide his Presidency.

I. THE CREATION OF JOBS IS THE CENTRAL GOAL FOR A GOVERNMENT AND THE CENTRAL ISSUE IN THIS CAMPAIGN

- We remain in the midst of the longest economic expansion in peacetime post-war history. The recovery, now in its 70th month, has generated 17.8 million new jobs.
- Real GNP has increased by over 20% since Ronald Reagan and George Bush took office.
- Civilian unemployment, having reached 5.3% earlier this year, now stands at 5.6%. Average annual unemployment hasn't been this low since 1974.
- All of this was accomplished while reducing inflation from 13.5% in 1980 to 4.5% today, and while cutting interest rates in half.

II. AMERICANS AT EVERY INCOME LEVEL ARE CERTIFIABLY BETTER OFF THAN THEY WERE IN 1981

- The income of the family exactly in the middle, adjusted for inflation, fell by a total of 7% from 1977 to 1981. Real median family income rose by 10% from 1981 to 1987.
- Real family income in all five quintiles of the population fell under Jimmy Carter and Walter Mondale. It rose in all quintiles under Ronald Reagan and George Bush.
- The number of low-income families (with real incomes under \$15,000) grew by 15% from 1977-1981; it declined by 10% from 1981-1987 -- despite the increase in the number of families during this latter period.
- From 1977-1981, the percentage of American families with lower incomes grew, while the percentages of those with middle and higher income fell. From 1981-1987, the percentage of lower income families in the population fell; while a considerable percentage of middle-income families graduated to higher incomes (over \$50,000).

**III. FOUR PRINCIPLES WILL PUT OUR ECONOMY ON THE ROAD TO
GREATER ECONOMIC GROWTH FOR ALL AMERICANS**

- No tax increases. We cut taxes in 1981, and it worked...My opponent called our tax cuts 'one of the worst bills Congress could ever have passed.' He said they 'virtually destroyed our position in the world.'...He's just itching to repeal those tax cuts.
- Spread economic growth...That's why I've proposed an energy plan to take our energy sector out of the doldrums...That's why I'm talking about rural and urban enterprise zones...That's why I want a permanent extension of the R&D Tax Credit...I believe we should cut the capital gains tax rate to create jobs for everyone...
- Economic empowerment...from the creativity and initiative of the individual, not from official directives and so-called "industrial policies"...George Bush favors a child care tax credit, a sharp increase in Head Start, the establishment of tax-free College Savings Bonds, and continuation of programs like the Job Training Partnership Act.
- American international leadership...Now is not the time for Americans to take refuge in "economic patriotism" -- that's my opponent's term for protectionism...We need to compete, not retreat.

"HERE IS MY VISION: AMERICA'S LOW-TAX, HIGH-OPPORTUNITY POLICIES LEADING THE WORLD INTO A NEW ERA OF ECONOMIC GROWTH...NOW THAT THE WHOLE WORLD IS EXPERIMENTING WITH MORE ECONOMIC FREEDOM AND LOWER TAX RATES, IT WOULD BE LUDICROUS FOR US TO GO THE OTHER WAY."

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9/13/88

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October 19, 1988

GEORGE BUSH ON THE ECONOMY FACT SHEET

Vice President George Bush discusses the forces shaping our economy today and outlines the basic economic principles that will guide his strategy for putting our economy on the road to greater economic growth for all Americans.

Reagan-Bush Economic Record

Eight years ago, the Reagan-Bush Administration took an economy mired in recession and has produced the longest peacetime economic expansion in our history.

- o In 1980, interest rates hit 21.5%.
In 1988, they are less than half that level.
- o In 1980, inflation hit 13.5%.
In 1988, it is down to 4.5%.
- o In 1980, unemployment averaged 7.1% and was rising.
In 1988, it hit 5.3%, the lowest level in 14 years.
- o In 1980, productivity fell for the 2nd year in a row.
In 1988, it is rising for the 6th year in a row.
- o From 1977 to 1981, median family income fell by 7%.
From 1981 to 1987, it rose by 10%.
- o From 1977 to 1981, real family incomes for each income group of the population fell.
From 1981 to 1987, they rose for each income group.

Forces Shaping Our Economy

George Bush reviewed five forces shaping our economy today, each of which poses both opportunities and risks for our country.

1. Free market ideas are taking hold around the world.

The United States is leading a global movement toward more economic freedom and lower taxes.

Countries around the world -- south of our border, Europe, Africa, and the Pacific Rim -- are moving toward market forces and away from intrusive government. Even Communist nations are changing their ways. China is in transition. We are seeing the beginning of it in the Soviet Union.

2. America is part of a highly competitive global economy.

It was not so long ago that Americans did not worry too much about foreign competition. All that has changed. The new competitive environment means more goods, more variety, lower prices, all of which are good for consumers.

Yet competition can breed frictions, hostilities, and fears. A new economic isolationism is in the air -- the wrong-headed and incorrect idea that nations can limit each other's trade without inviting harm to everyone.

3. We are in the midst of a major technological revolution.

The explosion of communications and information, of changes in materials and genetics research, of portable technology and fast-flowing capital has been called another industrial revolution.

These changes put a premium on flexibility, ingenuity, and openness to change -- historic American strengths.

4. The work we do is changing and the skills we need are changing with it.

The fastest growing part of our economy is the s-called services sector. Our opponents criticize these jobs as menial and lacking dignity.

In fact, most of these are skilled jobs -- computer operators, engineering, financial services. Over 70% of the new jobs created in this expansion have been in occupations paying an average of more than \$20,000 a year. About 90% of these jobs are full-time.

5. International economic institutions have to adapt to new circumstances

As the new global economy has developed in an earlier era -- such as the International Monetary Fund, the General Agreement on Tariffs and Trade, and the World Bank -- have had to change as well.

It is a new international economic system, one where leadership will make a difference. The United States has an obligation to lead -- both to itself and to the world.

Economic Principles

George Bush outlined the basic economic principles that will guide his economic strategy to promote greater economic growth for all Americans.

1. No Tax Increases

The Reagan-Bush Administration cut taxes in 1981 and it worked: 17.8 million new jobs, productivity up, factories at near capacity.

Raising taxes would:

- o Kill the economic recovery
- o Stifle investment, savings, and consumer spending
- o Invite a recession
- o Encourage Congress to spend more.

The Democratic presidential candidate called the 1981 Economic Recovery Tax Act "one of the worst bills Congress could ever have passed." In other words, the Democratic candidate wants to repeal those tax cuts. George Bush just does not agree.

Americans are not undertaxed. Taxes are about 19.4% of GNP, close to the record for the past 40 years and still higher than the 18.3% they were in the 1970's.

But spending is 23% of GNP, also near the record high. We must reduce the budget deficit by controlling government spending.

George Bush has proposed a flexible freeze, under which total government spending can increase, but only at the rate of inflation. Social Security, which is a solemn bond between the generations, and interest payments would be exempt. The flexible freeze will bring the deficit down.

It can be done. With the help of Gramm-Rudman, the increase in all government spending over the 1986-1988 has been held to an annual average of about 4% -- and the deficit has come down.

2. Spread economic growth

George Bush wants to spread economic growth. He has proposed:

- o An energy plan to enhance the recovery of our key energy sector and assure us the domestic supplies we need.
- o An agricultural program that opens markets abroad, develops new markets at home like ethanol, and develops the rural economy through rural enterprize zones.

- o Urban enterprise zones to revitalize cities from Newark to the South side of Chicago to Watts.
- o Permanent extension of the R & D tax credit to keep America in the forefront of innovation.
- o A cut in the capital gains tax to encourage entrepreneurial spirit that is the source of so many new jobs in America. As former Massachusetts Senator Paul Tsongas -- who voted against the 1978 capital gains tax cut -- once said, that bill "did more for the economy of my state than anything I did as a Congressman."

3. Economic empowerment

The strength of our economy comes from the people, not from the government, from the creativity of the individual, not from official directives and so-called "industrial policies."

What we need is not the kind of government that picks "winners and losers" but the kind of government that ensures equal opportunities are available to all Americans who want to work for them.

The Democratic candidate has proposed what he calls a "Fund to rebuild America," which would make a small down payment -- \$500 million -- to get industrial planning technocrats to work in Washington. He calls this kind of government, the "helping hand."

We can see it now when the government agent from the Fund to Rebuild America comes to your door with the most feared words in the land: "We're from the Government and we're here to help."

George Bush believes in a government that sees the economic empowerment of individual Americans as the key to our prosperity in the future. That is why he has proposed:

- o Expansion of Head Start to help underprivileged children.
- o Creation of National Merit Schools to give incentives for schools to improve the performance of economically disadvantaged students.
- o Creation of College Savings Bonds to help families save for their children's college education.
- o Creation of a Children's Tax Credit to help parents care for their children.

- o Support of proven jobs programs like Dan Quayle's Job Training Partnership Act to provide economic empowerment for those working in industries in transition, for the unemployed, and for single parent households.

4. American international leadership

In the real world, America is now positioned for the greatest expansion of free trade yet. Our exports are booming. The trade gap has dropped at a rate of \$40 billion over the last year.

The Reagan-Bush Administration reached a new agreement with Canada that liberalizes trade and investment between the world's largest trading partners, reached a free trade agreement with Israel, forged a new system of policy coordination with other major industrialized nations that has helped sustain economic growth, and worked in the GATT to update international free trade rules.

To build on this progress, George Bush has proposed:

- o Building on our agreement with Canada by developing a new, special economic relationship with Mexico.
- o Developing new ties -- based on open markets -- with the booming nations of the Pacific Rim;
- o Ensuring that the 1992 integration of the European Community lives up to its great growth potential for the world, not just Europe.
- o Working to knock down trade barriers that keep American goods and services out with no exceptions and no excuses.

Conclusion

George Bush is committed to these principles: no tax increases; solid, far reaching growth; individual empowerment, and international economic leadership. He strongly believes that America's low-tax, high opportunity policies can lead the world into a new era of economic growth.

Now I don't want to suggest that all our problems are licked. We've got a big trade deficit, and we've got a big budget deficit. We've got to tackle them both if we're going to sustain this prosperity -- and sustain it we must, for the sake of the industries and regions... like my own state of Texas.... that still are hurting.

The trade deficit is starting to come down. Manufacturing productivity is growing almost four times faster now than it was a decade ago. There's evidence of a new American business attitude -- of lean management, a commitment to quality, and interest in marketing abroad.

06/30/88 '88 CAMPAIGN SPEECHES

I strongly support policies that let the free market prevail. This is the best way to avoid shortages and to ensure the long-term health of our energy industry.

Unnecessary restraints have imposed barriers to competition, prevented industry diversification, undermined our competitive position in the world market, and deprived both consumers and the economy of the benefits of a competitive, free-market system.

Protectionism is fool's gold. It won't save jobs. It won't cut our trade deficit. And protectionism, as sure as night follows day, will invite retaliation. I believe we can compete successfully without protectionism. I believe Americans want to compete rather than hide.

02/23/88 BUSH POSITION PAPERS

B080100 TRADE.BALANCE OF PAYMENTS

My administration is also going to expand domestic farm markets. As many of you already know, I am a strong supporter of alternative fuels because they offer dramatic agricultural benefits and they offer our nation dramatic environmental benefits. Detroit is ready to make cars that would run on any combination of gasoline and alcohol, whether ethanol, made from corn and wheat, or methanol, made from natural gas or coal or even wood. Gasahol -- ten percent ethanol -- already is widely available in the Midwest and can be used in any car on the road now. Straight methanol -- natural gas -- straight methanol is used in the Indy 500 cars. Alternative fuels make sense. They will enable us to lessen our dependence on OPEC, cut our trade deficit, and clean up our air. I am one who is deeply concerned about our increasing dependence on foreign oil to meet our energy requirements. And alternative sources provide a good part -- or provide an optimistic answer to this pressing problem. They make sense. They will enable us to lessen our dependence.

07/11/88 REPUBLICAN SPEECHES

Speech : "we will do it (produce jobs) -- by maintaining our commitment to to free and fair trade, by keeping government spending down, and by keeping taxes down."

Facts :

This June (the most recent date available) imports were higher than ever before in American history. Under the Reagan-Bush trade policies, the trade deficit more than quadrupled, soaring from \$42.7 billion in 1982 to \$171 billion in 1987. We've gone from a \$12 billion manufacturing trade surplus in 1980 to the highest manufacturing deficit in history in 1987. These deficits, year after year, have made us the biggest debtor nation in the world.

Under the Reagan/Bush spending and revenue policies, the budget deficit more than tripled -- from about \$60 billion in 1980 to over \$200 billion in 1985.

Under the Reagan/Bush Administration, our national debt has doubled to over two-and-a-half trillion dollars, or about \$8,000 for every woman, man, and child in America.

08/18/88 DEMOCRATIC NATIONAL COMMITTEE PUBLICATIONS

We've reached a new agreement with Canada that liberalizes trade and investment between our two nations -- the world's largest trading partners. We've forged a new system of policy coordination with six other major industrialized nations that has helped sustain economic growth -- with low inflation -- while reducing trade imbalances. With debtor nations, we've worked on the only realistic way out of the problem -- economic reforms that will help them grow. Finally, in the GATT negotiations, we are working to adjust international rules of free trade to reflect changes in the global economy -- the growth of services, protecting intellectual property, expanding agricultural trade, opening up investment.

09/13/88 '88 CAMPAIGN SPEECHES

✓ B080302 EXPORT ASSISTANCE.FREE TRADE ZONES

But our commitment to free trade must be linked to a reciprocal commitment to fair trade by our trading partners. They must respect our right to compete in their marketplace and they must compete fairly in ours.

Economic growth is now as much a matter of foreign policy as it is economic policy. We should build on the achievement of our free-trade zone with Canada and work with our other neighbor, Mexico, to create a new North American compact.

We should focus on improving our long-term competitive position. And that depends on our most important natural resource - the American worker. There is no better way to improve our competitiveness than through education.

11/03/88 WASHINGTON TIMES

✓ B080100 TRADE.BALANCE OF PAYMENTS

In Kingsburg, Bush said that Reagan administration policies are beginning to reduce the trade deficit, and he accused Dukakis of promoting protectionism. "No one knows better than you the dangers of protectionism," he told a crowd of about 1,000. But moments later he urged the U.S. trade representative to "take action" on a rice miller petition "so we can maintain the pressure against barriers to our exports around the world.

09/15/88 WASHINGTON POST

"Here again, my opponent is using what can only be described as irresponsible scare tactics," he said.

But it was on the issue of trade that Bush was sharpest, perhaps in response to Dukakis' charge last week, unwittingly delivered at a foreign-owned plan, that the Reagan-Bush administration is responsible for massive trade deficits.

"Frankly, I've been surprised at my opponent's recent turn to protectionist demagoguery," said Bush. "I don't think he really believes it. He ran against this so-called 'economic nationalism' in the primaries.

"But now, for political reasons, he sees advantage in stoking fears about foreign influence."

10/12/88 BOSTON GLOBE

Mr. Bush said Mr. Dukakis sees political advantage "in stroking fears about foreign influence."

"Never mind that foreign investment in the United States - whether it's in Wellston, Mo., or Marysville, Ohio, or right here in Seattle - helps create jobs," Mr. Bush said.

"Never mind that booming American exports are fueling our continued growth and cutting the trade deficit" and that American investment abroad is at record levels.

"My opponent needs an issue, and he's willing to scare people to find it," Mr. Bush said. "So like the Know Nothing Party of a century before him, he's turned to fear of foreigners."

Yet, Mr. Bush said, "he's not a Know Nothing, he knows better, but perhaps he's a feel-nothing candidate. Or maybe, with this latest flip-flop, he's become a believe-nothing candidate."

10/12/88 WASHINGTON TIMES

He deviated slightly when asked, during a question and answer period afterward, how he would eliminate the trade imbalance, which reached \$12.2 billion in August.

Opposes Protectionism

Mr. Bush offered a general answer, insisting that he was against protectionism.

"I favor a vigorous enforcement of existing laws," he said. "In our Administration, we have had some laserlike shots against unfair trade."

10/27/88 NEW YORK TIMES

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10/27/88 NEW YORK TIMES

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11/03/88 WASHINGTON TIMES

B080200 TRADE.DOLLAR EXCHANGE RATE

The economic expansion of the past five years -- the longest peacetime economic expansion ever recorded in our nation's history -- has helped America's steel industry make a comeback. Productivity is up, thanks to better cooperation between labor and management. Profits are up, thanks to a strong U.S. market and the value of the dollar. We have vigorously enforced the unfair trade law to stop dumped and subsidized steel from entering the U.S. In the years ahead, America must, and will, have a steel industry that can meet many of our needs and compete effectively in world markets.

06/14/88 BUSH POSITION PAPERS

B080200 DOLLAR EXCHANGE RATE

And the lower dollar is finally kicking in. It's taken longer than I thought, but it's happening.

The result: Exports are up dramatically -- 29 percent over a year ago. Farm exports are up 32 percent. Manufacturing exports are up 32 percent. And, yes, manufacturing jobs are up -- by 466,000.

Half of this year's economic growth is projected to come from exports. Next year our share of the world market is projected to be 50 percent larger than that of West Germany or Japan. America is Number One again.

06/30/88 '88 CAMPAIGN SPEECHES

B080301 EXPORT ASSISTANCE.EXPORT/IMPORT BANK

You see, I believe that our farmers can compete with anyone, anywhere, if they're given a fair shot. We can take our corn, beef and other crops abroad, and increase our market share, as long as we are not asked to run a gauntlet of protectionist barriers, put up by Japan and Europe. Recently, our administration signed an agreement to end the Japanese quotas for beef and citrus products. And as both the secretaries, distinguished secretaries, sitting here know, this has been a W i+yl

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after some very tough-nosed negotiation. And it will result in more than one billion [dollars] in agriculture exports to Japan in a year -- one billion. And let me say, I understand that you had some link-up with Clayton Yeutter, a distinct friend of the farmer, and a man who is dedicated to knocking down barriers from other countries so that our agricultural products can go into those countries. And I don't know whether we have any link with him now. I still see that thing up there. But I salute him. And really, he has done a superb job. And it is tough, it is tough negotiating with these people.

07/11/88 REPUBLICAN SPEECHES

But there are displaced farmers. There are families that [are] hurting. And for them, we have to be sure that they too benefit in this, the longest recovery in the modern history of this country. We're going to improve rural health care by ensuring that rural hospitals are treated fairly under federal programs. And this is an ambitious agenda, you might say, for rural America. And I believe we can fulfill it by pursuing policies that provide a safety net for farmers; by expanding our export markets; by vigorously pursuing these alternate sources I've been talking about, alternate markets; by reasserting America's role as the world's preeminent supplier of American agriculture; and by educating our children and retraining our workers; and by diversifying our rural economy.

07/11/88 REPUBLICAN SPEECHES

B080803 TRADING PARTNERS.JAPAN

The Republican nominee has tried to deflect those charges by linking the capital-gains tax to America's competitiveness in the world marketplace. "Perhaps the Massachusetts governor can explain why he wants to shackle America's entrepreneurs and businesses with a tax many of our foreign competitors don't have," he says. "Japan doesn't have one, neither do Hong Kong, South Korea, Taiwan, or Singapore." Bush says that Dukakis's opposition to the tax "would tip [world trade] in favor of our foreign competition."

10/27/88 CHRISTIAN SCIENCE MONITOR

Later today, Bush made his first campaign appearance this year in California's Silicon Valley, home of the high-technology industry and one of the critical regions for sought-after swing voters. Recalling the recent Dukakis warnings about the dangers of foreign investment, Bush said "it is beneath the dignity of the presidency and of the voters to try to incite fear of foreigners as a cheap means of winning a few votes."

Bush went on to note the "long and proud history" of diversity in the United States and to mention each of the big California ethnic communities. He questioned why Dukakis' "thinly veiled comments about foreign investment only mention Japan" when Japan is only the third-largest source of foreign investment. "My opponent knows better, and he should stop trying to scare people by putting Japanese flags on American television screens," he said, a reference to Dukakis television ads in Ohio.

10/28/88 WASHINGTON POST

Q: What are your plans to strengthen America's trade position, particularly regarding Japan?

A: I have been encouraged by the recent trend in trade statistics. Part of this is the readjustment of the dollar. Part is the remarkable surge in manufacturing productivity growth, which is now running higher than that of both West Germany and Japan - indeed, at four times the rate of the 1970s. Productivity growth is the highest it's been since the Second World War.

We need to increase our exports not shut down our borders. American business and labor need a more vigorous international economy, not isolationism.

We need to continue to encourage our trading partners to increase their economic growth, so as to reduce their dependence on exporting goods. As their growth increases, we can reduce our trade deficit without slowing our economic engine.

11/03/88 WASHINGTON TIMES

Our relationship with Japan is unique. Their economy is second only to our own. Investment and trade are at remarkable levels. Despite sharp increases in exports to Japan over recent months, we have a huge trade imbalance. But we are making progress in getting Japan to open its markets.

Free trade is the way to go and I will push the Japanese to open their markets just as hard as I will resist protectionist legislation in this country.

11/03/88 WASHINGTON TIMES

B080303 EXPORT ASSISTANCE.NEED

As President, I will be committed to expanding America's exports. I believe America can compete with the rest of the World in free, open, competitive markets. But at the same time, we can't let the Soviets steal American high-technology to be used against us, as happened in the Toshiba and Kongsberg case. But we want to encourage world trade, to promote markets abroad, and to expand the number of jobs in America. We must strengthen our export control system by imposing standards that are more effective in identifying sensitive high technology and prohibiting its transfer. As part of that effort, we must also streamline our export control system in order to keep time-consuming, bureaucratic intervention to a minimum so that American sales of legitimate technology are not lost to foreign competitors. Further, it is important that we get our allies to adopt similar standards and approaches so we don't lose technology by having it channelled to our enemies through our friends.

03/14/88 BUSH POSITION PAPERS

✓B080303 EXPORT ASSISTANCE.NEED

Bush then visited a Sun Maid Growers Cooperative near Fresno where he said that Reagan administration trade policies are "prying open Japan's barriers to agriculture products," and he urged that the U.S. trade representative look favorably on a petition filed today by rice millers alleging unfair trade practices by the Japanese.

09/15/88 WASHINGTON POST

In Kingsburg, Bush said that Reagan administration policies are beginning to reduce the trade deficit, and he accused Dukakis of promoting protectionism. "No one knows better than you the dangers of protectionism," he told a crowd of about 1,000. But moments later he urged the U.S. trade representative to "take action" on a rice miller petition "so we can maintain the pressure against barriers to our exports around the world."

09/15/88 WASHINGTON POST

Later at an outdoor rally at the Sun Maid raisin-processing plant, Bush voiced his support for agriculture producers, saying he would do his utmost to increase farm exports.

Dukakis' "economic patriotism," Bush suggested, is simply protectionism by another name.

09/15/88 DALLAS MORNING NEWS

Q: What are your plans to strengthen America's trade position, particularly regarding Japan?

A: I have been encouraged by the recent trend in trade statistics. Part of this is the readjustment of the dollar. Part is the remarkable surge in manufacturing productivity growth, which is now running higher than that of both West Germany and Japan - indeed, at four times the rate of the 1970s. Productivity growth is the highest it's been since the Second World War.

We need to increase our exports not shut down our borders. American business and labor need a more vigorous international economy, not isolationism.

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11/03/88 WASHINGTON TIMES

B080402 INTERNATIONAL ECONOMY.NEW INTERNATL ECONOMIC ORDER

*A recognition that the United States is part of an increasingly competitive world, with stress on dealing with other nations "in a new economic system based on cooperation rather than economic warfare."

08/03/88 BOSTON GLOBE

Fifth, international economic institutions are adapting to new circumstances. As the new global economy has developed, the institutions created in an earlier era -- such as the International Monetary Fund, the General Agreement on Tariffs and Trade, and the World Bank -- have had to change, too. It's a new international economic system out there, one where leadership will make a difference. We continue to be looked to for leadership, and we have continued to lead. The United States has an obligation to lead -- both to itself and to the world.

09/13/88 '88 CAMPAIGN SPEECHES

We've reached a new agreement with Canada that liberalizes trade and investment between our two nations -- the world's largest trading partners. We've forged a new system of policy coordination with six other major industrialized nations that has helped sustain economic growth -- with low inflation -- while reducing trade imbalances. With debtor nations, we've worked on the only realistic way out of the problem -- economic reforms that will help them grow. Finally, in the GATT negotiations, we are working to adjust international rules of free trade to reflect changes in the global economy -- the growth of services, protecting intellectual property, expanding agricultural trade, opening up investment.

09/13/88 '88 CAMPAIGN SPEECHES

B080404

And the lower dollar is finally kicking in. It's taken longer than I thought, but it's happening.

The result: Exports are up dramatically -- 29 percent over a year ago. Farm exports are up 32 percent. Manufacturing exports are up 32 percent. And, yes, manufacturing jobs are up -- by 466,000.

Half of this year's economic growth is projected to come from exports. Next year our share of the world market is projected to be 50 percent larger than that of West Germany or Japan. America is Number One again.

06/30/88 '88 CAMPAIGN SPEECHES

American businesses frequently are frustrated by what they see as bureaucratic foot-dragging which discourages export of U.S. products and allows foreign competitors to make sales to customers who would rather "Buy American." As President, I will work with leaders of American high-tech industries to develop a coherent and comprehensive high-tech trade policy. The objective of this policy will be to improve America's ability to compete in World markets.

03/14/88 BUSH POSITION PAPERS

I am committed to free and fair trade. Our trade partners must respect our right to compete in their marketplace, and they must act fairly in ours. When trade is not fair, we must vigorously enforce our trade laws. For instance in 1984, American trade negotiators were directed to stem the flow of unfairly imported steel into the United States, and as a result, they reached a series of voluntary restraint agreements with other major steel exporters.

But while I believe in vigorously enforcing our trade laws, I also believe in free trade. Protectionism is an admission that America can't compete in world markets. Protectionism, in the end, costs America jobs. I do believe that a strong American steel industry can continue to grow stronger and more vibrant in the years ahead.

06/14/88 BUSH POSITION PAPERS

But there are displaced farmers. There are families that [are] hurting. And for them, we have to be sure that they too benefit in this, the longest recovery in the modern history of this country. We're going to improve rural health care by ensuring that rural hospitals are treated fairly under federal programs. And this is an ambitious agenda, you might say, for rural America. And I believe we can fulfill it by pursuing policies that provide a safety net for farmers; by expanding our export markets; by vigorously pursuing these alternate sources I've been talking about, alternate markets; by reasserting America's role as the world's preeminent supplier of American agriculture; and by educating our children and retraining our workers; and by diversifying our rural economy.

07/11/88 REPUBLICAN SPEECHES

The sixth element is international economics -- an increasingly important feature of our relations with the world. Our work over the past eight years has complemented the rebuilding of the world economy after 1945. We returned the world to prosperity, through both our economic reconstruction at home and a new network of initiatives spanning the global economy.

My program would refine and build on this new, sophisticated United States leadership for modern times. One of the first priorities of the Bush Administration will be to build upon the US-Canada Free Trade Agreement by aggressively negotiating elimination of tariffs and barriers around the world. We will look to the west, to our allies in the European Community -- and convince them that the integration of the European Community scheduled for 1992 should also reach across the North Atlantic. We will look to the east, to Japan and the rising economies of the Pacific Rim, and bring them into a new economic system based on cooperation, rather than economic warfare. We will look south to forge a real economic compact with Mexico that is sensitive to the special needs and concerns of its people. At the same time we will continue to evolve the program for sustained growth -- based on the American model of low taxes, deregulation, and entrepreneurship -- the one realistic approach for helping debtor nations restructure their economies to be receptive to long-term investment.

08/02/88 '88 CAMPAIGN SPEECHES

B080404 INTERNATIONAL ECONOMY.US ROLE

Seventh, and finally, any successful US foreign policy must grow from the roots of domestic support, economic and political. Our prosperous nation can do better. We can have a new era of achievement -- fostered, not dictated, by government -- through low taxes, opportunities for entrepreneurs and the small businessperson with the big idea, decentralized government that encourages experimentation, a good broad-based educational system, and reliance on markets.

I believe the political support for a new American internationalism for the 1990's is also present, though latent. It needs to be drawn out by a blend of experienced and creative leadership. It requires a genuine partnership with the Congress. It requires also a commitment to the bipartisan principles of strength, realism, dialogue, and global engagement that Harry Truman, Dwight Eisenhower, John Kennedy and Scoop Jackson embraced. I think all generations of Americans want an active, positive foreign policy. I think most Americans want to return to the days when politics stopped at the water's edge. They are all sympathetic to fostering American values abroad, but they want to be realistic about the cost. They want America's pride to be pro-US, not anti-foreign. They want America's hand to be steady, not overbearing or shaky.

08/02/88 '88 CAMPAIGN SPEECHES

*A "new era of achievement" based on low taxes, business opportunities, decentralized government, broad-based education and free markets. "I believe the political support for a new American internationalism for the 1990s is also present, though latent," Bush said. Americans, he said want an "active, positive foreign policy" forged by a genuine partnership" between Congress and the President.

Bush also promised to revive a little-known multinational "missile technology control regime" to stop the spread of ballistic missile know-how

08/03/88 BOSTON GLOBE

Fifth, international economic institutions are adapting to new circumstances. As the new global economy has developed, the institutions created in an earlier era -- such as the International Monetary Fund, the General Agreement on Tariffs and Trade, and the World Bank -- have had to change, too. It's a new international economic system out there, one where leadership will make a difference. We continue to be looked to for leadership, and we have continued to lead. The United States has an obligation to lead -- both to itself and to the world.

09/13/88 '88 CAMPAIGN SPEECHES

I understand that the rice millers are filing a petition with the US Trade Representative today asserting unfair trade practice by Japan. Under the law, the US Trade Representative now has to decide whether to accept the petition and take action on this claim.

We have had substantial success in prying open Japan's barriers of agricultural imports in recent years, including an agreement this year on beef and citrus products which should result in a billion dollars of new Japanese imports.

I urge the US Trade Representative to take action on the rice miller petition, so we can maintain the pressure against barriers to our exports around the world. If the USTR does not initiate action, we'll bring our claim to GATT, but that route should not be our only one. At our initiative the present Multilateral Uruguay Round offers a good opportunity to break down barriers to agricultural exports around the globe. We need to press the rice claim in that setting as well.

09/14/88 '88 CAMPAIGN SPEECHES

Bush said his economic policies would be grounded in four principles.

- No tax increases.
- Spreading the current economic growth.
- Economic activity generated by the people, not the government.
- America's commitment to international economic leadership.

09/14/88 NEW ORLEANS TIMES-PICAYUNE

Third, the U.S. can't withdraw from the world economic arena. We've got to be a force for open markets, at home and abroad, not cowering behind protectionist barriers that proclaim our inability to compete.

By keeping our country strong and engaged in the world, we can do more than just be an example, more than just an inspiration, we can be a force for change, a force for freedom throughout the world.

11/00/88 THE JOURNAL OF DEFENSE

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11/00/88 THE JOURNAL OF DEFENSE

B080501 PROTECTIONISM.FOREIGN TRADE RESTRICTIONS .

He said he would step up enforcement of trade laws designed to protect American industries from unfair practices by foreign competitors.

"I would urge a continuation of the (trade) laws. But I don't want to see us go protectionist."

04/19/88 CLEVELAND PLAIN DEALER

Bush said he would not shy away from taking retaliatory action against Japan for its refusal to open its marketplace to U.S. beef.

"There is no need to be macho about it, but at times we have to do that (retaliate) against protectionism. Need to use the tools to guarantee fair trade.

"We're not going to tolerate that discrimination," he said.

05/07/88 BILLINGS GAZETTE

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05/07/88 BILLINGS GAZETTE

I believe a strong textile industry is important to our nation. There are problems in the industry, such as foreign tariff barriers and increasing competition from new producing countries. This administration has been cracking down on those countries that seek to impose tariffs and other barriers on American products. This process will continue. I will vigorously enforce our trade laws on fraudulent labeling of foreign textile products.

But I'm glad that the American textile industry, overall, is doing better. Exports are up. Capacity utilization is high. Employment is increasing. I'm optimistic about the future of the American textile industry's ability to compete on a level playing field, but we cannot stop here.

Yet protectionism is not the answer. The textile bill will not solve the problems of the industry and will lead to retaliation against American textile products in response. The best action we can take to benefit the textile industry is direct action. We need to crack down on foreign tariff barriers and unfair trade practices using the tools we already have to close loopholes, end abuses, and punish cheaters.

06/13/88 BUSH POSITION PAPERS

B080501 PROTECTIONISM.FOREIGN TRADE RESTRICTIONS

We are working to help the textile industry through vigorous enforcement of current laws on imports and the new bilateral agreements with the Big Four--Taiwan, Korea, Hong Kong, and China. We need to redouble our efforts to tear down the barriers with those countries that still do not permit access to their markets. The textile bill will only lead to new barriers. It is a pessimistic approach to our future. I have more confidence in the ability of American workers. They will be able to compete and win on a level playing field.

But no single piece of legislation is going to solve the problem of unfair foreign trade practices. The laws to deal with it and the international agreements are already in place. When they needed to be strengthened or renegotiated in the past few years, our Administration has taken the necessary action.

06/13/88 BUSH POSITION PAPERS

We have committed to free trade, but we will not allow ourselves to be trade patsies.

My program is this:

- 1) vigorous enforcement of our trade laws, including Customs laws on fraudulent labeling of foreign textile products,
- 2) aggressive negotiation to remove foreign tariff barriers where they exist, in order to promote U.S. textile exports.

06/13/88 BUSH POSITION PAPERS

Speaking to the U.S. Agricultural Communicators' Congress, Mr. Bush said, "Next year, I'd like to see the economic summit put the main focus on agriculture. Given my experience in dealing with trading partners in Europe and in Asia, I believe I can help improve our access to their markets."

skipped paragraphs

"As president, I will work to level the playing field, knock down trade barriers, and I will relentlessly pursue negotiations to end subsidies that distort markets and restrict trade."

07/12/88 BALTIMORE SUN

In Chicago, Mr. Bush accused the Democrats of harboring protectionist instincts. "Now is not the time for Americans or our trading partners to take refuge in 'economic patriotism,'" he said. "That's the stealth candidate's term for protectionism. Don't we remember what happened the last time this was tried in the 1930's - policies which wrecked the world economy? History and our own experience teach us that protectionism hurts us as much as it hurts others."

09/14/88 NEW YORK TIMES

B080501 PROTECTIONISM.FOREIGN TRADE RESTRICTIONS

You see, I believe that our farmers can compete with anyone, anywhere, if they're given a fair shot. We can take our corn, beef and other crops abroad, and increase our market share, as long as we are not asked to run a gauntlet of protectionist barriers, put up by Japan and Europe. Recently, our administration signed an agreement to end the Japanese quotas for beef and citrus products. And as both the secretaries, distinguished secretaries, sitting here know, this has been a W i t t e n b e r g

07/11/88

after some very tough-nosed negotiation. And it will result in more than one billion [dollars] in agriculture exports to Japan in a year -- one billion. And let me say, I understand that you had some link-up with Clayton Yeutter, a distinct friend of the farmer, and a man who is dedicated to knocking down barriers from other countries so that our agricultural products can go into those countries. And I don't know whether we have any link with him now. I still see that thing up there. But I salute him. And really, he has done a superb job. And it is tough, it is tough negotiating with these people.

07/11/88 REPUBLICAN SPEECHES

As president, I will work to level the playing field, knock down trade barriers, and relentlessly pursue negotiations to end subsidies that distort markets and restrict trade. But we must act in concert with our trading partners. I will not act unilaterally. Our trading partners can't expect that we take action for freer trade while they hide behind protectionist walls.

Every year, the President meets with the leaders of the free world at the economic summit. Well, next year, I'd like to see that summit, that economic summit, put the main focus on agriculture. Given my experience of dealing with trading partners in Europe and in Asia, I believe I can improve, help improve our access to their markets.

At the Ag Summit, I would also guarantee to our allies and other overseas customers that the United States will remain a reliable supplier. I am categorically opposed to agricultural embargoes. Food should not be used as a weapon, as it was during the last Democratic administration. (Scattered applause.)

07/11/88 REPUBLICAN SPEECHES

In Chicago, Mr. Bush accused the Democrats of harboring protectionist instincts. "Now is not the time for Americans or our trading partners to take refuge in 'economic patriotism,'" he said. "That's the stealth candidate's term for protectionism. Don't we remember what happened the last time this was tried in the 1930's - policies which wrecked the world economy? History and our own experience teach us that protectionism hurts us as much as it hurts others."

09/14/88 NEW YORK TIMES

B080501 PROTECTIONISM.FOREIGN TRADE RESTRICTIONS

Counters Bush, who bills himself as a defender of free trade: "To some, competitiveness means protectionism and pointing the finger at our trading partners without trying to improve quality and productivity at home. To me, that is not competitiveness. Instead, that is weakness and defeatism." But Reagan has agreed to trade restrictions on everything from motorcycles to semiconductors, and a President Bush would probably be just as pragmatic.

10/17/88 TIME

Bush recently insisted in California: "A Bush administration will work to knock down barriers that keep American goods and services out. No exceptions. No excuses."

Bush has contended that Reagan administration efforts to end trade barriers have led to "booming exports" that are reducing the deficit.

10/24/88 KANSAS CITY TIMES
WORSHAM, JAMES

Bush's latest pronouncements have indicated a distaste for some of the remedies available when other nations don't cooperate, such as banning their products from the U.S. market or imposing quotas.

"We need to increase our exports, not shut down our borders," he said in a recent position paper. "American business and labor need a more vigorous international economy, not isolationism."

10/24/88 KANSAS CITY TIMES
WORSHAM, JAMES

VICE PRESIDENT BUSH: I forget to tell you that I am not in the long list of short list business on VPs. I read in the paper a lot about that -- (laughter) -- and I read that this group of Bush aides is now meeting with so-and-so, or promoting Candidate A or Candidate B. And I go into nuclear orbit, I go out trying to find these aides, all of whom have, quote, "asked that they remain anonymous," unquote. (Laughter.) And the reason is this, look. The fundamental criterion, who best to take over if something happens to the President, man or woman -- gender gap having been laid to rest, properly, by -- in 1984 -- of some compatibility. I wouldn't want to -- I've expounded my view on agriculture here today. I would not feel comfortable with somebody that came out of -- from the Harkin's approach or -- I use that because his name was on the legislation that would take s just the opposite direction. So, I would want a certain philosophical compatibility to be there. And then I'll wait till after the Democratic convention, courageously, waiting -- (Laughter) -- waiting to see what they do.

07/11/88 REPUBLICAN SPEECHES

V B080504 PROTECTIONISM.QUOTAS

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10/24/88 KANSAS CITY TIMES
WORSHAM, JAMES

B080505 PROTECTIONISM.RECIPROCITY

Bush said he would not shy away from taking retaliatory action against Japan for its refusal to open its marketplace to U.S. beef.

"There is no need to be macho about it, but at times we have to do that (retaliate) against protectionism. Need to use the tools to guarantee fair trade.

"We're not going to tolerate that discrimination," he said.

05/07/88 BILLINGS GAZETTE

' B080505 PROTECTIONISM.RECIPROCITY

But our commitment to free trade must be linked to a reciprocal commitment to fair trade by our trading partners. They must respect our right to compete in their marketplace and they must compete fairly in ours.

Economic growth is now as much a matter of foreign policy as it is economic policy. We should build on the achievement of our free-trade zone with Canada and work with our other neighbor, Mexico, to create a new North American compact.

We should focus on improving our long-term competitive position. And that depends on our most important natural resource - the American worker. There is no better way to improve our competitiveness than through education.

11/03/88 WASHINGTON TIMES

B080506 PROTECTIONISM.SUBSIDIES

Natural gas is the cleanest fuel available, easily transported in both gas and liquid (methanol) form, and usable as both a boiler and transportation fuel. Indeed, as a transportation fuel (in the form of CNG or methanol), it can substantially reduce urban pollution, and as a boiler fuel it could cut down on acid rain. Equally important, we have much more untapped natural gas than we do crude oil.

What we need, then, is a major effort to exploit this great natural resource. We must reverse the current trend of some of the major domestic energy companies to invest half or more of their exploration budgets overseas. One way to start this shift to gas without subsidy or tariff is to clear away the regulatory and informational barriers to its use for pollution abatement. Another is to encourage automakers to produce cars that can run on either gasoline or alternative fuels, giving the consumer a wider range of choices. If alternative fuels can be introduced in a major way into transportation, ethanol will also play a significant role, providing a boost in the farm economy as well.

Natural gas requires no processing for use in a boiler. Even natural gas derivatives (such as CNG or methanol for transportation) do not require much in the way of processing: gas wells require much less maintenance and last much longer than oil wells, and conversion into liquid form does not involve many of the oil refinery complexities now occasioned by environmental regulation. Because it is easy to provide for two-way capacity for boilers to switch from either coal or oil to gas, and for cars to switch from gasoline to methanol or CNG, natural gas becomes the ultimate strategic reserve -- ready to use virtually at a moment's notice in the event traditional forms of energy become unavailable for one reason or another.

02/25/88 BUSH POSITION PAPERS

The economic expansion of the past five years -- the longest peacetime economic expansion ever recorded in our nation's history -- has helped America's steel industry make a comeback. Productivity is up, thanks to better cooperation between labor and management. Profits are up, thanks to a strong U.S. market and the value of the dollar. We have vigorously enforced the unfair trade law to stop dumped and subsidized steel from entering the U.S. In the years ahead, America must, and will, have a steel industry that can meet many of our needs and compete effectively in world markets.

06/14/88 BUSH POSITION PAPERS

I am committed to free and fair trade. Our trade partners must respect our right to compete in their marketplace, and they must act fairly in ours. When trade is not fair, we must vigorously enforce our trade laws. For instance in 1984, American trade negotiators were directed to stem the flow of unfairly imported steel into the United States, and as a result, they reached a series of voluntary restraint agreements with other major steel exporters.

But while I believe in vigorously enforcing our trade laws, I also believe in free trade. Protectionism is an admission that America can't compete in world markets. Protectionism, in the end, costs America jobs. I do believe that a strong American steel industry can continue to grow and remain vibrant in the years ahead.

B080506 PROTECTIONISM.SUBSIDIES

As president, I will work to level the playing field, knock down trade barriers, and relentlessly pursue negotiations to end subsidies that distort markets and restrict trade. But we must act in concert with our trading partners. I will not act unilaterally. Our trading partners can't expect that we take action for freer trade while they hide behind protectionist walls.

Every year, the President meets with the leaders of the free world at the economic summit. Well, next year, I'd like to see that summit, that economic summit, put the main focus on agriculture. Given my experience of dealing with trading partners in Europe and in Asia, I believe I can improve, help improve our access to their markets.

At the Ag Summit, I would also guarantee to our allies and other overseas customers that the United States will remain a reliable supplier. I am categorically opposed to agricultural embargoes. Food should not be used as a weapon, as it was during the last Democratic administration. (Scattered applause.)

07/11/88 REPUBLICAN SPEECHES

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skipped paragraphs

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07/12/88 BALTIMORE SUN

B080509 PROTECTIONISM.TRADE WARS

He deviated slightly when asked, during a question and answer period afterward, how he would eliminate the trade imbalance, which reached \$12.2 billion in August.

Opposes Protectionism

Mr. Bush offered a general answer, insisting that he was against protectionism.

"I favor a vigorous enforcement of existing laws," he said. "In our Administration, we have had some laserlike shots against unfair trade."

10/27/88 NEW YORK TIMES

We are working to help the textile industry through vigorous enforcement of current laws on imports and the new bilateral agreements with the Big Four--Taiwan, Korea, Hong Kong, and China. We need to redouble our efforts to tear down the barriers with those countries that still do not permit access to their markets. The textile bill will only lead to new barriers. It is a pessimistic approach to our future. I have more confidence in the ability of American workers. They will be able to compete and win on a level playing field.

But no single piece of legislation is going to solve the problem of unfair foreign trade practices. The laws to deal with it and the international agreements are already in place. When they needed to be strengthened or renegotiated in the past few years, our Administration has taken the necessary action.

06/13/88 BUSH POSITION PAPERS

We have committed to free trade, but we will not allow ourselves to be trade patsies.

My program is this:

- 1) vigorous enforcement of our trade laws, including Customs laws on fraudulent labeling of foreign textile products,
- 2) aggressive negotiation to remove foreign tariff barriers where they exist, in order to promote U.S. textile exports.

06/13/88 BUSH POSITION PAPERS

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06/14/88 BUSH POSITION PAPERS

Two years ago, I went to Canada to help negotiate the Free Trade Agreement with Prime Minister Mulroney. This reflects the approach I've outlined on trade: let's knock down barriers, not build them up. And as we pursue free trade, let's pursue fair trade as well.

08/08/88 '88 CAMPAIGN SPEECHES

Mr. Bush was pressed hard on the textile issue in both North and South Carolina. He didn't flinch. Warned that he would lose votes for his free trade stance, Mr. Bush said, "C'est la vie."

08/18/88 WASHINGTON TIMES

Still, we've got to recognize that competition can breed frictions, hostilities and fears. A new economic isolationsim is in the air -- the wrong-headed and incorrect idea that nations can limit each other's trade without inviting harm to everyone. Again, there are voices in the other party calling for this kind of protectionism; and the newspapers now report that my opponent is headed in this direction -- the wrong direction.

09/13/88 '88 CAMPAIGN SPEECHES

Now is not the time for Americans or for our trading partners to take refuge in "economic patriotism" -- that's the stealth candidate's term for protectionism. Don't we remember what happened the last time this was tried in the 1930s -- policies which wrecked the world economy? History and our own experience teach us that protectionism hurts us as much as it hurts others. We need to compete, not retreat.

09/13/88 '88 CAMPAIGN SPEECHES

In Chicago, Mr. Bush accused the Democrats of harboring protectionist instincts. "Now is not the time for Americans or our trading partners to take refuge in 'economic patriotism,'" he said. "That's the stealth candidate's term for protectionism. Don't we remember what happened the last time this was tried in the 1930's - policies which wrecked the world economy? History and our own experience teach us that protectionism hurts us as much as it hurts others."

09/14/88 NEW YORK TIMES

But I suspect that it means something else. I suspect that, to the stealth candidate with the hidden agenda, "economic patriotism" is nothing but a code word for protectionism.

No one knows better than you the dangers of protectionism. California is the gateway to the Pacific basin. Your future depends on free and open trade. You're not looking for a guaranteed market, just the right to compete. And let me say this, given a level playing field, American farmers, like American workers, can compete with anyone in the world.

09/14/88 '88 CAMPAIGN SPEECHES

In Kingsburg, Bush said that Reagan administration policies are beginning to reduce the trade deficit, and he accused Dukakis of promoting protectionism. "No one knows better than you the dangers of protectionism," he told a crowd of about 1,000. But moments later he urged the U.S. trade representative to "take action" on a rice miller petition "so we can maintain the pressure against barriers to our exports around the world."

09/15/88 WASHINGTON POST

Dukakis, said Bush, has to put a bad light on the economy if he hopes to get elected: "He can't get elected unless things get worse, and things won't get worse unless he gets elected."

He also argued for open access to foreign markets, an important consideration for the Fluke Co., and again pledged not to raise taxes.

Bush also said that national security is the most important consideration for a president, and charged that Dukakis would reject new weapons systems.

09/07/88 SEATTLE TIMES

Bush says "the top agricultural priority of my administration will be to expand our farm markets" and he will "relentlessly pursue negotiations to end subsidies that distort markets and restrict trade." He proposes devoting next year's world economic summit to agriculture.

09/09/88 UNITED PRESS INTERNATIONAL

Later at an outdoor rally at the Sun Maid raisin-processing plant, Bush voiced his support for agriculture producers, saying he would do his utmost to increase farm exports.

Dukakis' "economic patriotism," Bush suggested, is simply protectionism by another name.

09/15/88 DALLAS MORNING NEWS

In an address prepared for delivery to students at Seattle University, Bush said, "Frankly, I've been surprised at my opponent's recent turn to protectionist demagoguery."

Bush charged Dukakis is trying to stoke fears about America's place in the global economy because he "needs an issue, and he's willing to scare people to find it. So like the Know Nothing Party a century before him, he's turned to fear of foreigners.

"He's not a Know Nothing; he knows better. But perhaps he's a feel nothing' candidate or maybe, with the latest flip-flop, he's become a 'believe nothing' candidate," Bush said.

10/11/88 UNITED PRESS INTERNATIONAL

Labeling Dukakis as "feel-nothing" and "believe-nothing," Bush accused his Democratic foe of whipping up fear of foreigners on the issue of trade.

"My opponent needs an issue," charged the vice president, "and he's willing to scare people to find it."

It amounts to "protectionist demagoguery," said Bush, and he said the stance differs from the position Dukakis took in the primaries.

10/12/88 BOSTON GLOBE

Mr. Bush told his Seattle University Business School audience Pope John "understood and welcomed change," unlike Mr. Dukakis, whom the vice president accused of inflaming fears about changes in the U.S. economy.

"There have always been those who have played upon people's fear of change, (and) frankly, I've been surprised by my opponent's recent turn to protectionist demagoguery," Mr. Bush said, noting that Mr. Dukakis ran against "economic nationalism" in the primary.

The so-called "turn" Mr. Bush referred to emerged as an issue last week when Mr. Dukakis, while speaking to workers employed at an Italian-owned automotive parts plant in St. Louis, faulted Reagan-Bush economic and trade policies for the growth of foreign ownership of American plants.

10/12/88 WASHINGTON TIMES

B080510 PROTECTIONISM.WISDOM/NEED

Standing in front of a hardware store in El Paso, Ill., Bush said, "Agricultural America has had a rough go of it because of the drought and some other conditions. But we are going to keep America moving ahead, we are going to expand our agricultural markets. We are not going to go the protectionist route. We are never going to go back to that grain embargo of our predecessors."

Throughout his trip, Bush raised the specter of a grain embargo if Democrats take control of the White House.

09/29/88 WASHINGTON POST

"There have always been those who would prey upon people's fear of change," Bush said. "Frankly, I've been surprised at my opponent's recent turn to protectionist demagoguery. I don't think he really believes it - he ran against this so-called 'economic nationalism' in the primaries."

"My opponent desperately needs an issue, and he's willing to scare people to find it. And so, like the Know Nothing Party in history, some of you have studied American history, a century before him he's turned to fear of foreigners. He's not a Know Nothing - he's better than that. He knows better, but perhaps, I would say going this protectionist route, he's what I would call a feel-nothing candidate. Or maybe, with this latest flip-flop, he's become a believe-nothing candidate."

10/12/88 WASHINGTON POST
HOFFMAN, DAVID

Counters Bush, who bills himself as a defender of free trade: "To some, competitiveness means protectionism and pointing the finger at our trading partners without trying to improve quality and productivity at home. To me, that is not competitiveness. Instead, that is weakness and defeatism." But Reagan has agreed to trade restrictions on everything from motorcycles to semiconductors, and a President Bush would probably be just as pragmatic.

10/17/88 TIME

Third, the U.S. can't withdraw from the world economic arena. We've got to be a force for open markets, at home and abroad, not cowering behind protectionist barriers that proclaim our inability to compete.

By keeping our country strong and engaged in the world, we can do more than just be an example, more than just an inspiration, we can be a force for change, a force for freedom throughout the world.

11/00/88 THE JOURNAL OF DEFENSE

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11/00/88 THE JOURNAL OF DEFENSE

Bush went on to bemoan the alleged scare tactics and praise the current trade climate. He likened Dukakis' attitudes to those held before the Civil War by what was dubbed the Know Nothing Party. "He's not a Know Nothing -- he knows better -- but perhaps he's a feel-nothing candidate," said Bush. "Or maybe, with this latest flip-flop, he's become a believe-nothing candidate."

And subtly taking his usual description of the "liberal" Massachusetts governor one step further, Bush offered some advice to the students: "I don't think you, who have so much at stake, who will come of age under the next administration, want to risk that new economic power on a radical change in course."

Bush appeared to be focusing on Dukakis' recent stress on what he calls "economic patriotism," casting it as protectionist. According to Dukakis backers, the phrase is not a veiled call for protectionist measures. Rather, it simply means that Dukakis would be tough in enforcing trade laws already on the books.

10/12/88 BOSTON GLOBE

Mr. Bush said Mr. Dukakis sees political advantage "in stroking fears about foreign influence."

"Never mind that foreign investment in the United States - whether it's in Wellston, Mo., or Marysville, Ohio, or right here in Seattle - helps create jobs," Mr. Bush said.

"Never mind that booming American exports are fueling our continued growth and cutting the trade deficit" and that American investment abroad is at record levels.

"My opponent needs an issue, and he's willing to scare people to find it," Mr. Bush said. "So like the Know Nothing Party of a century before him, he's turned to fear of foreigners."

Yet, Mr. Bush said, "he's not a Know Nothing, he knows better, but perhaps he's a feel-nothing candidate. Or maybe, with this latest flip-flop, he's become a believe-nothing candidate."

10/12/88 WASHINGTON TIMES

Bush argued to the contrary Tuesday, contending that foreign investment creates jobs in the United States and that wide-open international trade is helping fuel American prosperity.

Dukakis is a "feel-nothing ... believe-nothing candidate," preying on the fears of voters with "protectionist demagoguery," Bush declared.

"My opponent needs an issue and he's willing to scare people to find it."

"So, like the Know-Nothing Party a century before him, he's turned to fear of foreigners."

'Economic Nationalism'

Further, Bush said Dukakis is now speaking not from the heart but from the public opinion polls. "He ran against this so-called 'economic nationalism' in the primaries."

10/12/88 LOS ANGELES TIMES

Q: What are your plans to strengthen America's trade position, particularly regarding Japan?

A: I have been encouraged by the recent trend in trade statistics. Part of this is the readjustment of the dollar. Part is the remarkable surge in manufacturing productivity growth, which is now running higher than that of both West Germany and Japan - indeed, at four times the rate of the 1970s. Productivity growth is the highest it's been since the Second World War.

We need to increase our exports not shut down our borders. American business and labor need a more vigorous international economy, not isolationism.

We need to continue to encourage our trading partners to increase their economic growth, so as to reduce their dependence on exporting goods. As their growth increases, we can reduce our trade deficit without slowing our economic engine.

11/03/88 WASHINGTON TIMES

Our relationship with Japan is unique. Their economy is second only to our own. Investment and trade are at remarkable levels. Despite sharp increases in exports to Japan over recent months, we have a huge trade imbalance. But we are making progress in getting Japan to open its markets. Free trade is the way to go and I will push the Japanese to open their markets just as hard as I will resist protectionist legislation in this country.

11/03/88 WASHINGTON TIMES

B080801 TRADING PARTNERS.CHINA

We are working to help the textile industry through vigorous enforcement of current laws on imports and the new bilateral agreements with the Big Four--Taiwan, Korea, Hong Kong, and China. We need to redouble our efforts to tear down the barriers with those countries that still do not permit access to their markets. The textile bill will only lead to new barriers. It is a pessimistic approach to our future. I have more confidence in the ability of American workers. They will be able to compete and win on a level playing field.

But no single piece of legislation is going to solve the problem of unfair foreign trade practices. The laws to deal with it and the international agreements are already in place. When they needed to be strengthened or renegotiated in the past few years, our Administration has taken the necessary action.

06/13/88 BUSH POSITION PAPERS

SOVIET UNION: Bush said he would not make unilateral cuts in the United States' strategic weapons systems when the Soviets have demonstrated superiority. But the vice president said there is "an enormous opportunity for trade" with Eastern bloc nations and promised "not to use food as a political tool," referring to President Carter's grain embargo against the Soviet Union in protest of that country's occupation of Afghanistan.

Dukakis said the United States has serious differences with the Soviet Union but he has plans for the 1990s and beyond and Bush does not. In an effort to build a more stable and peaceful world, Dukakis said national security and the nation's economy must go hand in hand.

09/26/88 UNITED PRESS INTERNATIONAL

Bush said he would not shy away from taking retaliatory action against Japan for its refusal to open its marketplace to U.S. beef.

"There is no need to be macho about it, but at times we have to do that (retaliate) against protectionism. Need to use the tools to guarantee fair trade.

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05/07/88 BILLINGS GAZETTE

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05/07/88 BILLINGS GAZETTE

Would a Bush administration be more for free trade?

"I don't know that it would be, because I do reserve the right to fire a selective warning shot at those who egregiously violate free trade on our part. I think the wheat flour warning shot, or the electronics thing (against Japan), or the computer chip thing, was good stuff. It was protection in a sense but it was retaliation to level the playing field."

06/26/88 BOSTON HERALD

Bush is less ambivalent on another "anti-competitive" area, regulating corporate takeovers: "There have been some examples of excess, where you've had takeovers that resulted in a company defending itself to such a degree it can't perform as it should.

"Having said that though, I don't believe big is automatically bad - and I don't believe that the government should have a hyperactive role in deciding who can take over whom. I think the market does that better, and should determine that."

06/26/88 BOSTON HERALD

You see, I believe that our farmers can compete with anyone, anywhere, if they're given a fair shot. We can take our corn, beef and other crops abroad, and increase our market share, as long as we are not asked to run a gauntlet of protectionist barriers, put up by Japan and Europe. Recently, our administration signed an agreement to end the Japanese quotas for beef and citrus products. And as both the secretaries, distinguished secretaries, sitting here know, this has been a W i+y1

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07/11/88 REPUBLICAN SPEECHES

The sixth element is international economics -- an increasingly important feature of our relations with the world. Our work over the past eight years has complemented the rebuilding of the world economy after 1945. We returned the world to prosperity, through both our economic reconstruction at home and a new network of initiatives spanning the global economy.

My program would refine and build on this new, sophisticated United States leadership for modern times. One of the first priorities of the Bush Administration will be to build upon the US-Canada Free Trade Agreement by aggressively negotiating elimination of tariffs and barriers around the world. We will look to the west, to our allies in the European Community -- and convince them that the integration of the European Community scheduled for 1992 should also reach across the North Atlantic. We will look to the east, to Japan and the rising economies of the Pacific Rim, and bring them into a new economic system based on cooperation, rather than economic warfare. We will look south to forge a real economic compact with Mexico that is sensitive to the special needs and concerns of its people. At the same time we will continue to evolve the program for sustained growth -- based on the American model of low taxes, deregulation, and entrepreneurship -- the one realistic approach for helping debtor nations restructure their economies to be receptive to long-term investment.

08/02/88 '88 CAMPAIGN SPEECHES

I understand that the rice millers are filing a petition with the US Trade Representative today asserting unfair trade practice by Japan. Under the law, the US Trade Representative now has to decide whether to accept the petition and take action on this claim.

We have had substantial success in prying open Japan's barriers of agricultural imports in recent years, including an agreement this year on beef and citrus products which should result in a billion dollars of new Japanese imports.

I urge the US Trade Representative to take action on the rice miller petition, so we can maintain the pressure against barriers to our exports around the world. If the USTR does not initiate action, we'll bring our claim to GATT, but that route should not be our only one. At our initiative the present Multilateral Uruguay Round offers a good opportunity to break down barriers to agricultural exports around the globe. We need to press the rice claim in that setting as well.

09/14/88 '88 CAMPAIGN SPEECHES

Bush then visited a Sun Maid Growers Cooperative near Fresno where he said that Reagan administration trade policies are "prying open Japan's barriers to agriculture products," and he urged that the U.S. trade representative look favorably on a petition filed today by rice millers alleging unfair trade practices by the Japanese.

09/15/88 WASHINGTON POST

Tuesday, in Columbus, Ohio, he said most of the United States' major competitors "don't even have a capital gains tax. Japan doesn't have one. Neither do Hong Kong, South Korea, Taiwan or Singapore." And yesterday, in Detroit, he said of the charge that his proposal would help the rich: "Wrong. The majority of capital gains recipients earn less than \$50,000 - and the cut will create jobs - and that helps everyone."

Joseph Minarik, an economist at the Urban Institute, said Bush is "quoting a statistic to suit his purposes." It's true that the majority of tax returns showing capital gains are filed by people earning less than \$50,000, Minarik said, but it is much more meaningful to look at the proportion of gains realized by high-income earners.

According to Internal Revenue Service figures from 1985, the latest data available, three-quarters of all capital gains were reported by people earning more than \$50,000 - a group that includes less than 8 percent of taxpayers. Nearly 30 percent of all capital gains, \$36 billion, went to taxpayers with incomes above \$1 million.

As for Bush's argument about the Asian economies, three of the countries he mentioned - Japan, South Korea and Taiwan - tax some capital gains, according to an international tax survey by the accounting firm of Price Waterhouse. Those nations do exempt major classes of assets, such as publicly traded stocks and bonds, from capital-gains taxation, but their tax rates on salary income are far higher than in the United States.

10/27/88 WASHINGTON POST

8080804 TRADING PARTNERS.LATIN AMERICA

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08/02/88 '88 CAMPAIGN SPEECHES

But our commitment to free trade must be linked to a reciprocal commitment to fair trade by our trading partners. They must respect our right to compete in their marketplace and they must compete fairly in ours. Economic growth is now as much a matter of foreign policy as it is economic policy. We should build on the achievement of our free-trade zone with Canada and work with our other neighbor, Mexico, to create a new North American compact.

We should focus on improving our long-term competitive position. And that depends on our most important natural resource - the American worker. There is no better way to improve our competitiveness than through education.

11/03/88 WASHINGTON TIMES

B080805 TRADING PARTNERS.WESTERN EUROPE

You see, I believe that our farmers can compete with anyone, anywhere, if they're given a fair shot. We can take our corn, beef and other crops abroad, and increase our market share, as long as we are not asked to run a gauntlet of protectionist barriers, put up by Japan and Europe. Recently, our administration signed an agreement to end the Japanese quotas for beef and citrus products. And as both the secretaries, distinguished secretaries, sitting here know, this has been a W i:yl

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07/11/88 REPUBLICAN SPEECHES

I applaud the reduction of trade barriers within the Common Market, but I will oppose ANY attempt to create a Fortress Europe that would close the doors to our products.

09/14/88 '88 CAMPAIGN SPEECHES

Q: What are your plans to strengthen America's trade position, particularly regarding Japan?

A: I have been encouraged by the recent trend in trade statistics. Part of this is the readjustment of the dollar. Part is the remarkable surge in manufacturing productivity growth, which is now running higher than that of both West Germany and Japan - indeed, at four times the rate of the 1970s. Productivity growth is the highest it's been since the Second World War.

We need to increase our exports not shut down our borders. American business and labor need a more vigorous international economy, not isolationism.

We need to continue to encourage our trading partners to increase their economic growth, so as to reduce their dependence on exporting goods. As their growth increases, we can reduce our trade deficit without slowing our economic engine.

11/03/88 WASHINGTON TIMES

B080806 TRADING PARTNERS.OTHER

As president, I will work to level the playing field, knock down trade barriers, and relentlessly pursue negotiations to end subsidies that distort markets and restrict trade. But we must act in concert with our trading partners. I will not act unilaterally. Our trading partners can't expect that we take action for freer trade while they hide behind protectionist walls.

Every year, the President meets with the leaders of the free world at the economic summit. Well, next year, I'd like to see that summit, that economic summit, put the main focus on agriculture. Given my experience of dealing with trading partners in Europe and in Asia, I believe I can improve, help improve our access to their markets.

At the Ag Summit, I would also guarantee to our allies and other overseas customers that the United States will remain a reliable supplier. I am categorically opposed to agricultural embargoes. Food should not be used as a weapon, as it was during the last Democratic administration. (Scattered applause.)

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08/02/88 '88 CAMPAIGN SPEECHES

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But no single piece of legislation is going to solve the problem of unfair foreign trade practices. The laws to deal with it and the international agreements are already in place. When they needed to be strengthened or renegotiated in the past few years, our Administration has taken the necessary action.

06/13/88 BUSH POSITION PAPERS

✓ B080806 TRADING PARTNERS.OTHER

We've reached a new agreement with Canada that liberalizes trade and investment between our two nations -- the world's largest trading partners. We've forged a new system of policy coordination with six other major industrialized nations that has helped sustain economic growth -- with low inflation -- while reducing trade imbalances. With debtor nations, we've worked on the only realistic way out of the problem -- economic reforms that will help them grow. Finally, in the GATT negotiations, we are working to adjust international rules of free trade to reflect changes in the global economy -- the growth of services, protecting intellectual property, expanding agricultural trade, opening up investment.

09/13/88 '88 CAMPAIGN SPEECHES

We need to build on our agreement with Canada by developing a new, special economic relationship with Mexico. We need to develop new ties -- based on open markets -- with the booming nations of the Pacific Rim.

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11/03/88 WASHINGTON TIMES

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11/03/88 WASHINGTON TIMES

I understand that the rice millers are filing a petition with the US Trade Representative today asserting unfair trade practice by Japan. Under the law, the US Trade Representative now has to decide whether to accept the petition and take action on this claim.

We have had substantial success in prying open Japan's barriers of agricultural imports in recent years, including an agreement this year on beef and citrus products which should result in a billion dollars of new Japanese imports.

I urge the US Trade Representative to take action on the rice miller petition, so we can maintain the pressure against barriers to our exports around the world. If the USTR does not initiate action, we'll bring our claim to GATT, but that route should not be our only one. At our initiative the present Multilateral Uruguay Round offers a good opportunity to break down barriers to agricultural exports around the globe. We need to press the rice claim in that setting as well.

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Bush then visited a Sun Maid Growers Cooperative near Fresno where he said that Reagan administration trade policies are "prying open Japan's barriers to agriculture products," and he urged that the U.S. trade representative look favorably on a petition filed today by rice millers alleging unfair trade practices by the Japanese.

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Tuesday, in Columbus, Ohio, he said most of the United States' major competitors "don't even have a capital gains tax. Japan doesn't have one. Neither do Hong Kong, South Korea, Taiwan or Singapore." And yesterday, in Detroit, he said of the charge that his proposal would help the rich: "Wrong. The majority of capital gains recipients earn less than \$50,000 - and the cut will create jobs - and that helps everyone."

Joseph Minarik, an economist at the Urban Institute, said Bush is "quoting a statistic to suit his purposes." It's true that the majority of tax returns showing capital gains are filed by people earning less than \$50,000, Minarik said, but it is much more meaningful to look at the proportion of gains realized by high-income earners.

According to Internal Revenue Service figures from 1985, the latest data available, three-quarters of all capital gains were reported by people earning more than \$50,000 - a group that includes less than 8 percent of taxpayers. Nearly 30 percent of all capital gains, \$36 billion, went to taxpayers with incomes above \$1 million.

As for Bush's argument about the Asian economies, three of the countries he mentioned - Japan, South Korea and Taiwan - tax some capital gains, according to an international tax survey by the accounting firm of Price Waterhouse. Those nations do exempt major classes of assets, such as publicly traded stocks and bonds, from capital-gains taxation, but their tax rates on salary income are far higher than in the United States.

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