

March 26, 1990

TO: SENATOR  
FROM: JOYCE  
RE: ELECTRONIC INDUSTRIES ASSOCIATION SPEECH AND WHITE  
HOUSE LUNCHEON FOR TOMORROW

Schedule for White House Luncheon

12:00 Receiving line  
12:10 Lunch to begin - President to give brief remarks  
1:10 West Point Glee Club  
1:15 Luncheon ends

Senator Mitchell is scheduled to leave White House at 12:45 p.m. to be back here in the capitol for 1:00 meeting. The White House social office will be seating Senator Mitchell near the door.

ELECTRONICS INDUSTRIES ASSOCIATION LUNCHEON

You can speak any time during the lunch. The luncheon is scheduled from 12:00 until 2:00. You are the only speaker during lunch.

Will you give your speech at approximately?

12:50

1:00

another time

Do you want the White House to seat you near the door for easy exit?

yes

no

Electronic Industries Association



Peter F. McCloskey  
President

The Honorable  
Robert Dole  
Hart Senate Office Building  
Suite 141  
Washington, D.C. 20510

Dear Senator Dole:

On behalf of the Board of Governors of the Electronic Industries Association, it is my pleasure to invite you to be our guest luncheon speaker at the Association's Annual Spring Conference, March 25-29, at the J.W. Marriott Hotel in Washington, D.C.

Tuesday, March 27th would be our preference for your appearance and we hope that this will accommodate your schedule.

With approximately 350 senior electronics executives attending this particular luncheon, we believe the luncheon provides an excellent opportunity for you to address the issues of primary concern to our industry and the nation as a whole.

The Electronic Industries Association is the Washington based national trade association which represents the full spectrum of U.S. manufacturers in the \$255 billion a year electronic industry. Our members design, manufacture and market products from the smallest electronic parts to the most complex systems used in defense, space and industry.

We have reserved approximately 20 minutes for remarks followed by a brief question and answer period. For your information, the luncheon will begin at 12:30 p.m. and will be preceded by a reception at 12:00 noon. We would be most honored to have you join us for both.

I hope that you will be able to accept our invitation and look forward to hearing from you soon. If you need any additional information, please contact Mark Rosenker at 202/457-4980.

Sincerely,

*[Signature of Peter F. McCloskey]*

Temporary Headquarters: 1722 Eye Street, N.W. • Suite 300 • Washington, D. C. 20006

2001 Eye Street, N. W. • Washington, D. C. 20006 • (202) 457-4900 • TWX: 710-822-0148



February 1, 1990

### ELECTRONIC INDUSTRIES ASSOCIATION LUNCHEON

The Senator is requested to speak for approximately one-half hour at the **Electronics Industries Association's (EIA) luncheon on Tuesday, March 27, 1990, at the J.W. Marriott.**

- The luncheon is from 12:00 noon to 2:00 p.m.
- Preferred time of speech is 1:00 p.m., but they are flexible within the 2-hour time slot.
- The audience will be made up of CEOs and top-level executives of electronic firms belonging to the EIA.

The **Electronics Industries Association** is a full-service national trade association representing the entire spectrum of electronic industries ranging from small companies manufacturing electronic components to major electronic firms (for example, Xerox, GTE, Rockwell International, Raytheon, Motorola).

The **Electronics Industries Foundation (EIF)** uses the capabilities of the electronic industries to find creative solutions to social problems, chief among them being the stimulation of employment opportunities for people with disabilities. To place people with disabilities into competitive employment, they operate 9 Projects with Industry offices across the country. Currently, there are more than 1600 companies and 773 community rehabilitation agencies participating in these programs.

*Eventbrower Luncheon at U. House*  
*12:00 receiving line*  
*12:15 sit down + eat*  
*to*  
*1:15*

*Dole speak at EIA at 12:50*

1819 H STREET, N.W. • WASHINGTON, D.C. 20006-3603 • 202-457-0318 (VOICE) • 457-0473 (TDD)

1/31/90

### **FOR SENATOR DOLE**

- 1) **Mr. Rosenker (Head of Electronics Industry Association) and previously served as Deputy Press Secretary for President Ford.**
- 2) **The Dole Foundation works closely with the Electronics Industry Foundation (EIF) which is part of the Electronics Industry Association and deals with disability issues. People from EIF are on advisory panels for Dole Foundation projects, and they work with Projects with Industry, a program model which we support.**
- 3) **They will offer a donation to the Foundation -- \$2,000.**
- 4) **Senator Dole spoke to EIA before in DC at that meeting on Tuesday, April 10, 1984.**
- 5) **Audience: All industry people from all sectors of industry (350-400 people).**
- 6) **Speaker of the House will be speaking at dinner.**
- 7) **Bush spoke last year (1989).**
- 8) **Reagan spoke the year before (1988).**
- 9) **Senator Dole would be the featured speaker of the conference.**

- **Majority of audience interested in chief legislative issues of the day.**



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Disability - division products for handicapped  
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Bill Little

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Exam Vice Chair

and


Dora

Ann Hills

Electronics  
Lenny Shaden  
Director  
Bryant  
Placement



MARCH 21, 1990

TO: SENATOR DOLE  
FROM: CAROLYN SEELY   
SUBJECT: SPEECH TO ELECTRONIC INDUSTRIES ASSOCIATION

On Tuesday, March 27, 1990, you are the scheduled luncheon (and featured) speaker at the Annual Spring Conference of the Electronic Industries Association. You last spoke to this group in 1984. EIA members range from small component manufacturers to major firms, such as Xerox, Rockwell International and Motorola. Approximately 350 "senior electronics executives" will attend. Mark Rosenker will meet you.

EIA and its members have been active in aiding the disabled. The Electronics Industry Foundation sponsors programs to find competitive employment opportunities for people with disabilities which involve more than 1600 companies and 773 community agencies. (EIF representatives serve on advisory panels for the Dole foundation, and work with the Projects with Industry program.) In addition, many EIA companies have special divisions which manufacture "assistive" devices for the handicapped. They would like you to acknowledge these efforts.

EIA's featured speaker in 1988 was President Reagan; in 1989, it was President Bush. Before you at this Conference, the group will hear from Senator Hollings, Congressmen Markey, Bryant, Blily, and McCurdy (on defense issues), Dennis Klosky the Undersecretary in charge of COCOM negotiations at Commerce, the Vice Chairman of Eximbank and a representative from Gallaudet College. Speaker Foley will speak at dinner. On Wednesday, the group will hear from Senator Dixon and Ambassador Hills.

According to Greg and Barbara, the electronics industry relies on two solvents: CFC-113 and methyl chloroform which are affected by the clean air bill. CFC-113 is included under the Montreal protocol as an ozone-depleting chemical, but is subject to a faster phase out in the bill. Methyl chloroform may not be as ozone depleting, but its prevalence has led to controls.

The group is interested in your views on the major legislative issues: the budget, the peace dividend, the Rostenkowski plan, and Eastern Europe. They support capital gains, the r&d credit, a reasonable policy on defense cutbacks, funding for education, and reasonable COCOM standards on export controls (which allow American companies to furnish products that are readily available elsewhere).

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Will you give your speech at approximately?

☒ 12:50      ☐ 1:00      ☐ another time

Do you want the White House to seat you near the door for easy exit?

☒ yes      ☐ no

*Bob  
Brandy  
Christy*

MARCH 27, 1990

TALKING POINTS  
ELECTRONICS INDUSTRY ASSOCIATION

- O GOOD AFTERNOON.
- O THIS IS AN EXCITING TIME JUST TO BE ALIVE. IT  
SEEMS THAT EVERY ELECTION ADDS TO WORLD  
FREEDOM -- INSIDE THE SOVIET UNION, IN EASTERN



-2-

EUROPE AND AROUND THE WORLD. JUST WHEN YOU  
THINK YOU'VE SEEN IT ALL, IT TURNS OUT "YOU AIN'T  
SEEN NOTHING YET."

- O IT MAY BE THE WORLD WE'VE ALL BEEN WAITING FOR  
-- THE COLLAPSE OF COMMUNISM AND THE  
DISINTEGRATION OF THE "EVIL EMPIRE". BUT TO BE  
CANDID: I'M NOT SURE IT'S A WORLD WE'RE  
PREPARED TO DEAL WITH.

-3-

## THE SOVIET UNION

O AND THESE LESSONS HAVE CERTAINLY NOT BEEN  
LOST ON GORBACHEV. WHILE WE WANT HIM TO  
SURVIVE AND, MOST IMPORTANTLY, TO CONTINUE ON  
HIS CURRENT COURSE; NEITHER HE NOR ANY  
SUCCESSOR COULD COMPLETELY REVERSE THE  
EVENTS OF THE PAST SIX MONTHS. THE GENIE IS  
OUT OF THE BOTTLE; THE SOVIET EMPIRE -- THE  
WARSAW PACT -- IS DEAD.



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- O NEVERTHELESS, TEMPTING AS IT IS TO LOOK FOR  
LARGE SAVINGS IN THE DEFENSE BUDGET, WE NEED  
TO MAINTAIN AN ORDERLY PROCESS. BEFORE WE  
BEGIN WITHDRAWING TROOPS FROM EUROPE, WE  
NEED A CONVENTIONAL FORCES AGREEMENT THAT  
IS MUTUAL AND VERIFIABLE.
- O AND THIS IS NOT THE TIME TO BEGIN WRITING  
CHECKS TO GORBACHEV AS CONGRESSMAN  
GEPHARDT HAS SUGGESTED. IF WE ARE TO HELP

-5-

GORBACHEV SUCCEED, WE SHOULD DEMAND THAT  
THE SOVIETS QUIT POURING BILLIONS OF DOLLARS  
OF MILITARY AID INTO TOTALITARIAN REGIMES SUCH  
AS CUBA, SYRIA, ANGOLA AND THE PUPPET  
GOVERNMENT IN AFGHANISTAN.

- 0 SO MY RESPONSE IS: IF GORBACHEV NEEDS SOME  
READY CASH, HE CAN ASK FOR A REFUND FROM  
CASTRO, NOT A HAND-OUT FROM UNCLE SAM.



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## EASTERN EUROPE

- O IN EASTERN EUROPE, THE PACE OF CHANGE HAS  
  
BEEN BREATH-TAKING. SIX MONTHS AGO, AN  
  
INDIVIDUAL'S CHANCES OF RISING TO POWER  
  
DEPENDDED ON HIS YEARS OF SERVICE TO THE PARTY;  
  
NOW IT'S HIS YEARS IN A COMMUNIST JAIL.

-7-

- O I HAPPENED TO BE IN POLAND LAST SUMMER ON THE DAY THE MAZOWIECKI GOVERNMENT TOOK POWER. ONLY THREE OR FOUR PEOPLE IN THE ROOM HAD ANY EXPERIENCE IN GOVERNING. IT WAS LIKE SEEING OUR FOUNDING FATHERS. AND THIS IS THE SENIOR GOVERNMENT IN EASTERN EUROPE.
- O NOW THAT FREEDOM HAS WON, THE NEW DEMOCRACIES MUST PICK UP THE PIECES -- POLITICALLY AND ECONOMICALLY. AND THEY CAN PROBABLY TEACH US SOME LESSONS.



Q IN POLAND, I MET ANOTHER AMERICAN, JEFFREY SACHS, WHO WAS ADVISING THE NEW GOVERNMENT ON ECONOMIC MATTERS. HE TOLD THEM TO DO THE TOUGH STUFF, LIKE ELIMINATING ALL FARM SUBSIDIES, UP FRONT WHILE THEY HAD THE SUPPORT OF THE PEOPLE. CLEARLY, THE AMERICAN CONGRESS COULD USE SOME OF THIS ADVICE.

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## THE BUDGET PROCESS

- O I HAVE ALWAYS BELIEVED THAT A PRESIDENT HAS  
  
ONE CHANCE -- THE FIRST YEAR OF EACH TERM -- TO  
  
ENACT TOUGH PROGRAMS, LIKE THE FLEXIBLE  
  
FREEZE, TO DEAL WITH OUR BUDGET DEFICIT.
  
- O UNFORTUNATELY, AS YOU KNOW, LAST YEAR WE  
  
BASICALLY TOOK A WALK ON THE DEFICIT. WE SPENT  
  
10 MONTHS AND DEVOTED OVER 60% OF OUR ROLL  
  
CALL VOTES IN THE SENATE TO REDUCE THE DEFICIT  
  
BY ONLY \$16 BILLION.



-10-

- O THESE WERE NOT TOUGH VOTES. WE FOUND \$500 MILLION IN LOST FOOD STAMPS; WE ACCELERATED MILITARY PAY DATES -- AND WE NEEDED FOUR MONTHS OF SEQUESTER ON TOP OF EVERYTHING ELSE.
- O THIS YEAR WE NEED \$36 BILLION -- MORE THAN TWICE AS MUCH -- TO MEET OUR GRAMM-RUDMAN DEFICIT TARGET, EVEN UNDER OMB'S OPTIMISTIC ASSUMPTIONS. AND THE CONGRESSIONAL BUDGET OFFICE NOW SAYS WE NEED \$60 BILLION MORE!

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## THE ROSTENKOWSKI PLAN

- O THAT IS WHY I THINK CHAIRMAN ROSTENKOWSKI HAS  
ISSUED THE WAKE-UP CALL WE'VE BEEN WAITING  
FOR.
- O I DON'T AGREE WITH EVERYTHING CHAIRMAN  
ROSTENKOWSKI HAS RECOMMENDED. BUT HE IS  
RIGHT IN INSISTING THAT ANY "PEACE DIVIDEND" BE  
USED FOR DEFICIT REDUCTION AND THAT ANY NEW  
SPENDING BE ON A PAY-AS-YOU-GO BASIS. WE MUST

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EITHER MAKE NEW PROGRAMS FINANCIALLY  
SELF-SUFFICIENT OR SCALE BACK EXISTING  
PROGRAMS TO PAY FOR NEW INITIATIVES. THIS IS  
WHAT I PROPOSED WHEN I CALLED FOR A 5%  
REDUCTION IN FOREIGN AID SET ASIDES.



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## THE FREEZE

- O CHAIRMAN ROSTENKOWSKI IS PROBABLY ALSO  
  
RIGHT POLITICALLY IN REVIVING CANDIDATE BUSH'S  
  
PROPOSAL FOR A ONE-YEAR FREEZE IN FEDERAL  
  
SPENDING WITH THE EXCEPTION OF MEANS-TESTED  
  
POVERTY PROGRAMS.
- O A FREEZE IS NOT THE BEST POSSIBLE POLICY; IT IS  
  
SIMPLE CRUISE CONTROL. IT DOES NOT DISTINGUISH  
  
AMONG PROGRAMS ACCORDING TO

-14-

CHANGING NEEDS. IT PERPETUATES SOME  
OBSOLETE PROGRAMS WHICH SHOULD BE CUT  
SIGNIFICANTLY OR EVEN ELIMINATED TO PAY FOR  
NEW PRIORITIES, LIKE EDUCATION AND THE DRUG  
WAR. AND IT DOES NOT FACE UP TO NEEDED  
STRUCTURAL REFORMS, SUCH AS THE PRESIDENT'S  
MEDICARE PROPOSALS.

- O MOREOVER, IT DOES NOT EVEN FREEZE  
CONGRESSIONAL PAY. IF A FREEZE IS TO SUCCEED,  
WE MUST ALL SHARE EQUALLY.

-15-

O    HOWEVER, UNLIKE MOST BUDGET SOLUTIONS, A  
  
FREEZE IS EASILY UNDERSTOOD -- AT LEAST OUTSIDE  
  
THE BELTWAY WHERE YOU ARE NOT AUTOMATICALLY  
  
ENTITLED TO YOUR INFLATION ADJUSTMENT. AND IT  
  
DEMANDS THE SAME SACRIFICE FROM EVERYONE.



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## TAXES

- O I HAVE ALWAYS INSISTED THAT TO REDUCE THE  
DEFICIT WE SHOULD LOOK TO SPENDING CUTS AND  
NOT NEW TAXES. THAT IS WHY I BELIEVE THAT  
GASOLINE TAXES SHOULD BE RAISED ONLY IF THE  
REVENUE IS USED TO REPAIR OUR CRUMBLING  
ROADS AND BRIDGES.

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O MOREOVER, I DO NOT BELIEVE THAT THE PRESIDENT  
WILL ABANDON HIS PLEDGE OF "NO NEW TAXES" TO  
RAISE INCOME TAX RATES, EVEN AS PART OF A DEAL  
LIKE THE ROSTENKOWSKI PACKAGE. INCOME TAX  
RATES ARE THE POLITICAL CRUX OF THE NO TAX  
PLEDGE. WHEN PEOPLE HEAR "NO NEW TAXES" THEY  
UNDERSTAND NO INCOME TAX INCREASES.

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- O    HOWEVER, THERE ARE WAYS THAT WE CAN RAISE  
REVENUES WITHOUT RAISING TAX RATES. CLOSING  
TAX LOOPHOLES IS ONE WAY. CUTTING CAPITAL  
GAINS RATES MAY BE ANOTHER, DEPENDING ON  
WHOSE ESTIMATES YOU BELIEVE.

#### CAPITAL GAINS

- O    THE ROSTENKOWSKI PLAN HAS PUT CAPITAL GAINS  
ON HOLD -- FOR NOW. HOWEVER, CAPITAL GAINS IS  
HIGH ON THE PRESIDENT'S PRIORITY LIST. AND IT



-19-

HAS THE SUPPORT OF A MAJORITY IN BOTH THE  
HOUSE AND SENATE. SENATOR MITCHELL WAS ABLE  
TO BLOCK A VOTE LAST YEAR, BUT I DOUBT HE CAN  
FIND THOSE VOTES AGAIN, ONCE A BUDGET  
AGREEMENT HAS BEEN REACHED.

- O THE PRICE FOR CAPITAL GAINS RELIEF IN THE  
SENATE MAY BE A SAVINGS INCENTIVE, AS  
PROPOSED BY THE PRESIDENT, OR AN EXPANDED

-20-

IRA, AS PROPOSED BY SENATOR BENTSEN.

HOWEVER, I BELIEVE THAT SOME CAPITAL GAINS

RELIEF WILL PASS THIS YEAR.

GRAMM-RUDMAN

O FINALLY, I DO NOT AGREE WITH CHAIRMAN

ROSTENKOWSKI'S CALL FOR THE REPEAL OF THE

GRAMM-RUDMAN-HOLLINGS LAW ALTHOUGH I

SHARE HIS FRUSTRATION WITH THE CONGRESSIONAL

BUDGET PROCESS.

-21-

O WITHOUT THE DISCIPLINE OF THE  
GRAMM-RUDMAN-HOLLINGS LAW AND ITS  
SEQUESTER THREAT, THERE WOULD BE NOTHING TO  
FORCE THE DEMOCRATS TO THE TABLE NEXT YEAR  
OR TO STOP THE CONGRESS FROM RETURNING TO  
ITS OLD FREE-SPENDING WAYS, ONCE THIS DEAL  
EXPIRES.



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O SO I THINK THAT CONGRESSMAN ROSTENKOWSKI  
HAS ISSUED A CHALLENGE TO BOTH PARTIES TO  
WORK OUT REAL DEFICIT REDUCTION. THE WHITE  
HOUSE HAS ANSWERED THIS CHALLENGE. I HOPE  
HIS FELLOW DEMOCRATS DO THE SAME.

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## PROGRAMS FOR THE HANDICAPPED

- O I HAVE ALWAYS HAD GREAT FAITH IN THE  
  
WILLINGNESS OF THE AMERICAN PEOPLE TO PITCH IN  
  
WHEN THEY ARE NEEDED, ABROAD OR AT HOME.  
  
YOUR COMPANIES ARE EXAMPLES.
- O LAST YEAR, THE CONGRESS PASSED MAJOR  
  
LEGISLATION TO PROVIDE ACCESS FOR THE  
  
DISABLED TO BUSINESS, TRANSPORTATION AND  
  
SUPPORT SERVICES. YOU HAVE BEEN PIONEERS IN  
  
THESE EFFORTS.

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- O ELIZABETH AND I ARE ESPECIALLY APPRECIATIVE OF  
THE WORK OF THE ELECTRONICS INDUSTRY  
ASSOCIATION WITH THE DOLE FOUNDATION ON  
PROJECTS TO PROVIDE JOB OPPORTUNITIES FOR  
DISABLED AMERICANS.
- O MOREEVER, THIS WOULD NOT BE POSSIBLE WITHOUT  
THE PRODUCTS -- THE "ASSISTIVE DEVICES" -- WHICH  
YOU MANUFACTURE AND WHICH MAKE IT POSSIBLE  
FOR THE HANDICAPPED TO DO THOSE JOBS.



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## CLEAN AIR

O THIS WEEK, THE SENATE IS CONTINUING WORK ON THE CLEAN AIR LEGISLATION. THIS IS A SIGNIFICANT BILL -- THE FIRST MAJOR REVISION OF OUR CLEAN AIR LEGISLATION IN 12 YEARS. AND IT HAS A SIGNIFICANT PRICE TAG -- AT LEAST \$20 BILLION PER YEAR TO BE PAID BY AMERICAN BUSINESS.

-26-

O AND THESE ARE ONLY THE KNOWN COSTS. THIS BILL  
WILL AFFECT SMALL HOSPITALS WITH INCINERATORS,  
FARMERS WHO USE AMMONIA, MARGINAL OIL  
PRODUCERS AND, OF COURSE, THE ELECTRONICS  
INDUSTRY.

O SO WHILE I AGREE THAT THIS LEGISLATION IS  
NEEDED, I HOPE THAT WE WILL KEEP SOME  
PERSPECTIVE. IF IT COSTS \$20 BILLION TO DO 95%  
OF THE JOB, HOW MUCH MORE SHOULD WE SPEND

-27-

TO REACH 96% OR 97%? HOW MANY JOBS CAN WE  
AFFORD TO LOSE TO CHEAPER IMPORTS WHICH ARE  
NOT PRODUCED USING ENVIRONMENTALLY SAFE  
TECHNIQUES.

- 0 LAST WEEK, THE SENATE NARROWLY DEFEATED A  
RESOLUTION CALLING FOR NEW TARIFFS WHICH  
WOULD IMPOSE THESE SAME COSTS ON FOREIGN  
IMPORTS WHERE SIMILAR ENVIRONMENTAL  
STANDARDS ARE NOT OBSERVED.



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AS WE PAY THE PRICE FOR A BETTER ENVIRONMENT, I  
THINK THE DEMAND THAT OTHERS SHARE THIS  
BURDEN WILL GROW.

COMPETITIVENESS

O AND WE WILL NOT IGNORE COMPETITIVENESS AT  
HOME. LAST MAY, AT SUGGESTION OF SENATOR  
DANFORTH, I CONVENED A TASK FORCE OF  
REPUBLICAN SENATORS TO ADDRESS THOSE  
BARRIERS TO COMPETITIVENESS WHICH ARE WITHIN  
THE CONTROL OF THE FEDERAL GOVERNMENT.

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- O WE WERE NOT LOOKING TO ESTABLISH AN INDUSTRIAL POLICY. LIKE MOST OF YOU, WE BELIEVE THAT PROTECTIONISM AND GOVERNMENT INTERVENTION IN THE MARKETPLACE CREATE OBSTACLES TO COMPETITIVENESS BY RAISING THE COST OF CAPITAL AND MATERIALS FOR U.S. MANUFACTURERS.
- O NEVERTHELESS, WE RECOGNIZE THAT AMERICA NEEDS LEADERSHIP AND COORDINATION IN ITS TRADE AND ECONOMIC POLICIES. OUR TASK FORCE AIMS TO ESTABLISH THOSE PRIORITIES.

-30-

- O OUR INITIAL FOCUS HAS BEEN ON THE WAYS IN WHICH GOVERNMENT IMPEDES COMPETITIVENESS -- WHETHER THROUGH ANTI-TRUST LAWS, TAX POLICY, OR EXCESSIVE REGULATION.
- O THIS TASK FORCE HAS ALREADY RECOMMENDED TAX INCENTIVES FOR RESEARCH, EDUCATION, SAVINGS AND INVESTMENT, PRODUCT LIABILITY REFORM, ANTI-TRUST REFORM, FEDERAL



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CO-ORDINATION OF STRATEGIC TECHNOLOGIES AND  
STREAMLINED PUBLIC/PRIVATE PARTNERSHIPS TO  
TRANSFORM FEDERAL RESEARCH DISCOVERIES INTO  
NEW PRODUCTS AND SERVICES.

COCOM

- O FINALLY, WHILE I BELIEVE IT IS PREMATURE TO RELAX  
OUR VIGILANCE TOWARD THE SOVIET UNION, I ALSO  
BELIEVE THAT WE MUST BE PRAGMATIC IN  
NEGOTIATING TRADE RESTRICTIONS. NOTHING IS  
GAINED BY PREVENTING AMERICAN COMPANIES

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FROM TRADING WITH THE SOVIETS IF SIMILAR  
PRODUCTS ARE READILY AVAILABLE FROM OUR  
ALLIES. WHATEVER COCOM STANDARDS ARE  
APPLIED MUST BE MUTUAL AND ENFORCEABLE, OR  
AMERICAN BUSINESS WILL AGAIN BE THE LOSER.

#### THE ELECTION

- O AS YOU KNOW THIS IS AN ELECTION YEAR. AND FOR  
A CHANGE, THE REPUBLICANS APPEAR LIKELY TO  
MAKE GAINS IN A MID-TERM ELECTION.

-33-

O UNLIKE RECENT SENATE CAMPAIGNS WHERE THE  
DEMOCRATS HAVE BEEN ABLE TO RECRUIT BETTER  
CANDIDATES, WE NOW HAVE 8 REPUBLICAN HOUSE  
MEMBERS RUNNING FOR THE SENATE BEHIND A  
PRESIDENT WHOSE POPULARITY IS BREAKING  
RONALD REAGAN'S RECORDS.

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O OF COURSE, PRESIDENT BUSH'S RATINGS WILL COME  
DOWN SOMEWHAT, AND PUNDITS CONTEND THAT A  
PRESIDENT'S COATTAILS DO NOT HELP IN  
CONGRESSIONAL ELECTIONS. BUT I THINK THAT BILL  
SCHUETTE IN MICHIGAN, TOM TAUKE IN IOWA, LYNN  
MARTIN IN ILLINOIS AND CLAUDINE SCHNEIDER IN  
RHODE ISLAND ARE EACH POSITIONED TO UNSEAT  
AN INCUMBENT SENATOR.



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## CONCLUSION

O AND BECAUSE THIS IS AN ELECTION YEAR,  
  
BI-PARTISAN COOPERATION WILL BECOME MORE  
  
AND MORE DIFFICULT. NEVERTHELESS, I BELIEVE  
  
THAT WE WILL FINALLY AGREE ON WHAT I HAVE  
  
CALLED THE FIVE C's: CLEAN AIR, CHILD CARE,  
  
CAMPAIGN FINANCE REFORM, A CRIME PACKAGE,  
  
AND SOME FORM OF CAPITAL GAINS RELIEF.  
  
HOWEVER, AS ALWAYS, THE SERIOUS DEBATE ON

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THE BUDGET AND THE BUDGET PROCESS WILL  
CONTINUE TO DOMINATE OUR AGENDA UNTIL BOTH  
CONGRESS AND THE PRESIDENT FACE UP TO THE  
TOUGH CHOICES.

O    THANK YOU.