

VICE PRESIDENT GEORGE BUSH

ON THE ISSUES

ETHICS IN GOVERNMENT

You often hear that you can't teach values. I don't buy it... I think Americans are in fairly general agreement as to what constitutes good character and ethical behavior. It includes such qualities as decency, fairness, honesty, duty, tolerance, courage, self-discipline and respect for law.

Many in this country still have much to learn about right and wrong. Recently, we've seen stories about illegal insider trading schemes on Wall Street and improper influence-peddling in Washington. We've seen instances of those in privileged positions failing to uphold the trust that was placed in them.

Our own Administration has been the victim of individuals who haven't had the judgement or integrity to put the public's business above their own selfish self-interest. I find the reports of people setting up meetings at the White House for large sums of money especially disturbing.

Those of us in leadership positions in government, and in all walks of life, must make something very clear: Greed is not a legitimate force in this society.

Free enterprise doesn't mean people are free to break the law. And for those who go over the line into criminality, I say throw the book at them.

I say treat white-collar criminals as you would treat any other criminal. "Lock em up." They have broken the law and they belong in jail. A college education should not mean a suspended sentence. In fact, you should be held to a higher standard because you are among the best and brightest America has to offer.

And it doesn't matter what you do in life, from time to time you will be tested on your values of right and wrong. I am confident that the overwhelming majority of you, like the overwhelming majority of most Americans, will make the right decision.

AGRICULTURE

Rural America has been strongly tested in recent years. However, I believe we have seen the bottom and are headed back up.

There is strong evidence that the 1985 Farm Bill is beginning to work. Our more competitive prices, coupled with the drop in the dollar's value, have improved our ability to compete abroad.

Farm exports in 1987 increased by 18% in volume over 1986 levels. We are beginning to recover from the terrible hangover that followed the binge of the 70's -- a binge of unsustainable high prices and land speculation, caused by cheap dollars and bad weather overseas.

At the same time, we must ensure that the transition to market forces preserves the family farm and rural way of life. Now is the time for a steady hand, to allow American farmers to regain markets at home and abroad.

I'm glad to see that Congress is working on legislation that would reform the Farm Credit System to make it more effective. We must maintain reliable sources of credit for the American farmer. I'm especially pleased that the legislation would guarantee the borrower stock of farmers who are members of the Farm Credit System. This would restore the confidence of farmers in the System and thus help stabilize it.

I believe there are three key elements to restoring economic vitality to our agricultural community -- open markets abroad, new markets at home, and development of the rural economy.

Opening Markets Abroad

Opening markets abroad is my top agricultural priority. Open global markets will improve economic growth for all, including new markets at home, and development of the rural economy.

I support the Administration's attempt to phase out over a reasonable period those subsidies that distort agricultural trade if, and only if, other countries do the same. These kinds of subsidies stimulate global overproduction, drive down world prices, and drive up government spending. American farmers can compete with anyone in the world -- as long as they are not competing against state treasuries and have open access to world markets.

I believe that any phaseout of global subsidies must be done simultaneously by all parties. Moreover, we must preserve a true safety net to ensure the viability of the family farm and rural America.

New Markets at Home

We should also concentrate on developing new markets for our farm products at home. I strongly support the development of alcohol fuels, not only to aid farmers, but because of the enormous payoffs they bring in energy security and environmental quality. The Administration's Task Force on Regulatory Relief, which I am proud to chair, has very actively cleared away bureaucratic obstacles to that development.

Rural Economic Development

Finally, we should emphasize development of our rural economy. Rural America has been hit hard in recent years. What rural America must do is attract new businesses by offering a productive work force and strong infrastructure.

To help rural America rebuild itself, we should have a partnership of the federal, state, and local governments, and the private sector -- with each party doing what it does best.

GUN CONTROL

I have always opposed federal gun registration or licensing of gun owners. I am a life-member of the National Rifle Association. In March, 1986 I joined the NRA in supporting passage of the McClure-Volkmer Act modifying certain provisions of the 1968 Gun Control Act. Nevertheless, the right to bear arms is not a license to harm others. We must balance the legitimate interests of gun owners with the rights of society.

While ensuring that Constitutional rights are not violated, we must do all we can to keep guns out of the hands of convicted criminals. I have supported modifications of the McClure-Volkmer Act which would prevent convicted criminals and individuals with a history of mental illness from carrying guns.

I have supported prohibitions on the interstate shipment of certain handguns whose sole purpose is the taking of human life.

And finally, I have long been an advocate of mandatory prison sentences for individuals convicted of using a firearm during a criminal act.

TRADE

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 1970's. 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 and to create a market for imported goods. As their growth increases, we can reduce our trade deficit without slowing our economic engine.

Increased trade reduces international tensions and provides a better standard of living for everyone. 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.

Protectionism benefits some businesses at the expense of the rest of the economy and exposes us to retaliation and the prospect of an all-out trade war which no one would win. Such measures drive up the cost to consumers and misallocate our economic resources.

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 -- a \$130 billion agreement -- and work with our other neighbor, Mexico, to create a free trade zone of unprecedented size, a new North American compact.

Finally, 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. Education can be our most powerful trade program.

TECHNOLOGY

Technology is America's economic fountain of youth. It is what keeps us prosperous, vital, and a competitive force in the world. To stimulate our technological progress, we should do the following:

Increase our national investment in research and development. Make the research and development tax credit permanent.

Encourage innovation by strengthening intellectual property protection both at home and abroad.

American business must get closer to the source of America's inventiveness. It should have closer partnerships with government and university labs, so business can better commercialize scientific advances.

ENERGY

An American energy policy must do three things: find more and conserve more, apply good old American know-how and technology to our energy problems, and protect the environment in the process.

There are five steps to getting a national energy policy on the right track:

First, natural gas is clean and abundant. We should fully decontrol natural gas and seek more competitive transportation of gas. Gas decontrol alone will save the average consumer

household \$25 to \$40 a year. In addition, we should use methanol from natural gas and compressed natural gas as competitively-priced, clean alternative fuels for transportation.

Second, to encourage energy exploration, I propose a system of tax incentives, particularly aimed at the small independent oil producer, including:

Tax incentives for returning non-producing, temporarily abandoned stripper wells to production.

A 10% tax credit for oil and gas exploration -- up to \$10 million of costs, 5% thereafter -- creditable to the alternative minimum tax.

Clarification of the R & D tax credit to include enhanced recovery techniques.

Elimination of 80% of intangible drilling costs.

Repeal of the Transfer Rule prohibiting independent producers from using certain tax provisions on acquired properties.

Elimination of the Windfall Profits Tax.

Third, to buttress our defenses against any future price shocks, I propose increasing the fill rate of the Strategic Petroleum Reserve particularly from new production resulting from the above incentives. I will press our allies to maintain comparable strategic reserves. After all, it's their security as well as our own that we're protecting with our Reserve and our naval escorts of Persian Gulf oil shipments.

Fourth, greater use of coal, using the clean coal technology this administration supports, will also help replace imported oil. We can export more coal by promoting long-term contracts with U.S. suppliers and through a tough negotiating stance with our trading partners who subsidize their domestic coal production.

Fifth, I will personally emphasize the importance of conservation and new technologies as means for reducing oil imports.

The U.S. should be a leader in efforts to find cost effective solutions to the global environmental problems associated with energy. Of course, we should identify new areas for exploration at home, subject to strict environmental standards. We can set the example for the rest of the world in managing our energy resources while preserving the environment.

We can't ignore nuclear power either, even though it is controversial. It is a reliable alternative to foreign oil. As long as the highest safety standards are assured, I believe we can responsibly use it to meet some of our energy needs.

In conclusion, our energy industry is hurting. Our energy workers are having it tough. Our energy consumers are anxious as well. That can change with energy leadership. I've lived energy policy and my Administration will act on that experience.

EDUCATION

Quality education is a good policy. In the years ahead, education can be our most powerful economic program, our most important trade program, our most effective urban program, our best program for producing jobs and bringing people out of poverty. The best investment we can make is in our children.

Investments in education must be a responsibility of state and local governments who can recognize and respond to the different needs of students. The federal role must be to provide grants to state governments for new programs which enhance the standards of instruction, and improve the curriculum at the elementary and secondary levels. I support:

Creating a new \$500 million federal program of "Merit Schools" that would provide awards to individual schools that improve the education of their students;

Giving federal matching funds to states creating more magnet schools;

Expanding a new federal fund to finance experiments in education reform; and

A proposal to develop teacher evaluation models.

In our elementary and secondary schools:

I will expand funding for Head Start, which is a successful pre-school program; so that all eligible 4 year olds can take advantage of it;

We must have higher academic standards. I want more testing of our students and more competency tests for teachers;

We must encourage parents to become more involved in, and responsible for, children's education;

We must have principals who restore discipline and get drugs out of the halls and out of the students' lockers; and

For too long, schools have provided a "value-free" curriculum. We must stress the 4-Rs -- reading, writing, arithmetic and respect.

Solutions to funding higher education will include private initiatives encouraging parents to invest for future commitments and government loan programs. I want to make a college education affordable.

For families without resources to save, I support maintaining work-study, Pell grants for low-income students, and income contingent funds.

I have proposed creating a "College Savings Bond" to help families save for college. Parents will earn interest tax-free if these funds are used for college.

I propose expansion of income-contingent loan programs which adjust required payments annually to reflect a graduate's income after college.

ENVIRONMENT

I will bring a conservation ethic to the White House. Not only can government make a difference in preserving our environment, but so can the voluntary efforts of private organizations and dedicated individuals in every part of our country. We want environmental regulation based on good research and sound data that is vigorously and uniformly enforced. In the long run, environmental protection and economic development are not only compatible, they are entwined. We should encourage industry to identify and provide innovative technological solutions to environmental challenges.

Toxic wastes: We must push harder on enforcement, streamline and accelerate the process, promote voluntary settlement procedures, reduce regulatory barriers to new and innovative cleanup technologies, and bring the states more actively into the effort.

Solid waste: There is no single solution to this problem. We must provide incentives for minimizing waste, target research and development in this area, and promote recycling.

Clean air: Despite good progress in reducing emissions from cars, factories, and power plants, approximately 80 metropolitan areas are still not meeting federal clean air standards. I am looking to the marketplace for innovative solutions, like the use of oxygenated fuels.

Acid rain: It's time to act -- we can no longer afford simply to study the problem of acid rain. We must have a clear commitment to emissions reductions on a clear timetable. I know it is crucial to time any new mandates to industry so they dovetail with new operational developments. I will continue our support for new clean-coal technology.

Global warning: Those who think we're powerless to do anything about the "greenhouse" effect are forgetting about the "White House" effect. I will convene a global conference of top international leaders on global environmental problems. Our nation is well-equipped, especially in technical expertise, to give strong international leadership to global environmental problems, like extinction of species, soil erosion, and destruction of tropical rain forests.

Stratospheric ozone: I am proud of my role in getting the Administration to take the lead in developing and promoting a multilateral agreement to reduce the use of chlorofluorocarbons around the world. For the first time, we have a multilateral treaty that commits countries to take effective action against a worldwide environmental problem.

Outdoors: I support many of the recommendations made last year by the President's Commission on American Outdoors, for example, the encouragement of public-private partnerships for recreation, the creation of greenways and strengthening of urban parks, and protection of rivers, streams, and wetlands.

DEFENSE

Like most Americans my age, I fought in combat in World War II, and I believe the best way to prevent war is to maintain a strong and effective defense. That's my defense policy: Peace through strength. Peace and strength go hand-in-hand. While there are no limits to what we will do to defend our nation, of course, there are limits to what we can spend on defense. That's why we must spend wisely. As President, I will streamline our defense procurement process. I will see that the taxpayers' dollars are well spent, and I will not tolerate poorly built weapons systems, those that aren't necessary, or any attempt to rip off the American taxpayer.

Ten years ago, the defensive capabilities of the United States had fallen into dangerous disrepair, jeopardizing our ability to keep the peace. Our ships couldn't leave port for lack of crews or parts. Our planes were aging and often undermaintained. Stocks of ammunition were low. The men and women of our Armed Forces were disillusioned.

Today, the morale of our personnel is high and America's strength is once again respected around the world.

Despite the importance of national defense, many people are critical of the level of defense spending. There is stiff opposition to strategic weapons such as the MX, Midgetman, and Trident D-5 missiles and the Stealth and B-1 bombers, programs to rebuild and modernize our conventional weapons deterrent, and

research into a strategic defense against nuclear missiles -- to protect America from the fear of nuclear attack. But I believe that these systems are vital to maintain America's defenses.

When I flew into combat, I knew my country had given me the best plane it could build, and that is exactly the type of equipment we owe to the men and women who defend our country today.

As President, I will not make the mistake our predecessor made of neglecting defense. It is too expensive to catch up after falling behind -- and it is too risky in a dangerous world.

INTERNATIONAL RELATIONS

Central America

Our role in Central America is the same as our role in other parts of the world. This role is to promote peace -- but not peace at the cost of freedom. In the case of Central America, our objective is not a peace that merely stops the shooting and entrenches a Soviet beachhead. Our main objective is the maintenance and establishment of governments committed to freedom and democracy, governments that respect human rights and the sovereignty of their neighbors. A peace that does not accomplish this objective is just another word for surrender.

The specific goals of the United States in Central America are:

- 1) Democratic self-determination,
- 2) Economic and social development,
- 3) Respect for human rights,
- 4) Furtherance of solutions through diplomatic means, and
- 5) Cooperation in meeting threats to security and peace.

Although Cuba's Marxist revolution has been a total failure at home, Castro and his Soviet allies continue to interfere in the internal affairs of the sovereign Latin American countries and have helped to establish a Communist regime in Nicaragua.

We liberated Grenada from Castro's grip and gave the people of that Caribbean nation the opportunity to restore a viable democratic government. Our task, however, is not complete. We must continue to resist the efforts of the Soviets and Cubans to foment Marxist revolution throughout Central and South America. We must continue to tell the brave Cuban people about the world as it really is, and not as Castro tells them it is.

Middle East

The U.S. believes that promoting the security of Israel and support for the pro-Western Arab states offers the best path to promoting peace and stability in the Middle East. Few foreign

policy objectives are more central given the region's chronic instability, strategic location, and central role in the world's long-term supply of energy.

America's strategic interests are clear; they are:

The region should be stable, and its nations controlled by governments friendly to the U.S.;

Israel must remain free, democratic, militarily secure, and economically strong;

Freedom of the seas and free trade are American traditions. American and allied access to the sea lanes and petroleum resources of the region should be free from interference, whether from regional troublemakers, the Soviet Union, or terrorists.

U.S. - Israel Relations: Partners in Freedom

The Bush Presidency will take advantage of the new relationship built with Israel during the Reagan/Bush Administration to enhance the prospects for regional peace and security. Israel is a strategic ally to the U.S. By virtue of its military capability and the values and political objectives it shares with the U.S., Israel buttresses the alliance in its most vulnerable area -- the southern region of NATO and the Eastern Mediterranean. By establishing appropriate policies and institutions, the goal of strategic cooperation with Israel has been achieved. It will be sustained through continued security and economic assistance to Israel, and expansion of existing elements of strategic cooperation including joint exercises, pre-positioning of dual-use stockpiles (including combat equipment, spare parts, and ammunition), intelligence sharing and contingency planning. These measures will serve to strengthen American military power and influence in the Eastern Mediterranean.

We oppose the creation of an independent Palestinian state; its establishment is inimical to the security interests of Israel, Jordan and the U.S.. We will not support the creation of any Palestinian entity that could place Israel's security in jeopardy.

Ultimately, direct negotiations are the only viable means of securing peace between Israel and its neighbors. The U.S. cannot and will not impose a settlement, nor will we be a party to any effort to do so through a multilateral entity. The U.S. will not support any role in the peace process for the PLO unless it recognizes Israel's right to exist, accepts United Nations Resolutions 242 and 338, renounces terrorism and removes language from its charter demanding Israel's destruction.

Economic growth -- both in Israel and throughout the region can also contribute to peace. More jobs and more opportunities in the West Bank and Gaza, for example, could increase the confidence of Palestinians and make it easier for them to participate directly in shaping a negotiated peace. More jobs and more opportunities in adjoining countries might draw the energies of more young people into building a world for themselves rather than destroying someone else's.

Jerusalem

We believe that Jerusalem should remain an undivided city with free and unimpeded access to all holy places by people of all faiths.

Egypt

Egypt is the catalyst in the Arab world for advancing the cause of regional peace and security. As the only Arab nation to have formally made peace with Israel, it is reaping its benefits. With American economic and military assistance, Egypt has been increasingly integrated with the economic and defense-related institutions of the West. Egypt's support of the Camp David Accords and its subsequent acceptance into the Arab world demonstrate that an Arab nation can make peace with Israel, be an ally of the U.S., and remain in good standing in the Arab world. The Administration's formal designation of Egypt as a "major non-NATO ally" has served to strengthen American ties with Egypt and will provide the basis for further gains for America's ability to advance the prospects for regional peace and security during the Bush Presidency.

Jordan

Jordan is an indispensable element of the Middle East peace process. Moreover, its posture of moderation has served to diminish the effectiveness of the radical rejectionist states of the region. Jordan's contribution to regional stability will be strengthened by continued U.S. encouragement of its economic development. Jordan deserves continued American support, particularly if it is to take the risks of pursuing peace in the Middle East.

The Gulf

Because of the critical importance of the Gulf region, now and for the long term, we will build on the increased security cooperation with the pro-Western Arab states of the Gulf achieved by the Reagan/Bush Administration to enhance their security while serving U.S. interests.

Afghanistan and Pakistan

American resolve in supporting the Afghan freedom fighters has achieved its first objective -- forcing a Soviet military withdrawal from Afghanistan. This unprecedented event did not take place in a vacuum. Assisting Pakistan in modernizing its armed forces and reforming its economic system was no less important than providing assistance to the freedom fighters. The best guarantor of a free Afghanistan is a pro-Western, democratic, secure and prosperous Pakistan. The initial fruits of our efforts have strengthened our regional influence and enhanced the ability of a Bush Presidency to promote regional peace.

Lebanon

Continuing instability in Lebanon is not in the interest of the U.S. Until order is established, Lebanon will be a source of international terrorism and regional instability. Therefore, in order to re-establish normalcy in Lebanon, the U.S. must help to strengthen the hand of the overwhelming majority of Lebanese, who are committed to an independent, peaceful and democratic Lebanon.

Syria and Libya

Syria and Libya remain hostile and violence-prone elements in a region that yearns for peace and stability. It is unlikely that they will change their policies with the present leadership. However, it remains in our interest to take advantage of a genuine change in policy that would allow these two nations to work toward participating in a meaningful way in the regional peace process.

South Africa

The Republic of South Africa is by far the richest, most powerful, and most highly developed country in Sub-Saharan Africa. It is the most influential country in southern Africa -- a superpower in the region. South Africa's location at the tip of Africa has great strategic significance, and South Africa has large reserves of minerals which are vitally important to the West. Yet, we can not rest until apartheid is eliminated from South Africa. We have taken positive, effective, and tangible steps to achieve this goal. The passage of the 1986 Comprehensive Anti-Apartheid Act puts in place strong sanctions against South Africa and sets conditions for their removal. Unfortunately, the political and economic effects of the sanctions have been marginal to negative: we believe the South African government has made little progress in dismantling apartheid and black South Africans have been set back economically.

The 1986 Comprehensive Anti-Apartheid Act is the law of the land and we have faithfully implemented the law. The debate over sanctions was about means, not ends. But sanctions are not a policy in and of themselves. Under present circumstances, I will not recommend further sanctions. Rather, we must continue to use diplomacy and negotiations for constructive change. I favor a policy that maintains pressure on the South African government to end apartheid and also a policy that works now to build black rights, institutions, and economic well-being. Black empowerment is and will be an important goal of a Bush Administration.

ARMS CONTROL

The INF treaty President Reagan and Mikhail Gorbachev signed in June was a major step forward in our relations with the Soviet Union. It is something we can build on, and it is a victory of will and determination. The President first proposed the so-called "zero option" six years ago, when the Soviets had a monopoly on these intermediate-range missiles in Europe. They said no to our offer -- and so we countered their missiles with our missiles. Then they changed their minds.

I believe the INF treaty will be looked upon some day as a watershed agreement -- the first to actually reduce -- not just limit, but reduce -- the number of nuclear weapons in the world; one that achieves a balance through asymmetrical reductions -- 1600 of their warheads to 400 of ours; one that breaks new ground on verification and puts us on a new track toward a more stable and enduring deterrence.

The verification requirements are a major achievement in themselves. The Soviets have agreed to a new level of openness -- openness we have sought for many years. Our scientists will now be allowed to visit Soviet weapons plants that were completely shut off to the West. Soviet inspectors will have equivalent access to our installations. This may be the beginning of a whole new chapter in East-West relations.

We have proposed to the Soviets that we cut in half the number of weapons in our strategic forces -- with a particular eye on the Soviets' destabilizing, multiple-warhead, land-based missiles.

Such substantial reductions in our nuclear arsenals would move us away from a deterrence strategy of Mutual Assured Destruction, toward a more stable balance based on fewer missiles and the development of a strategic shield.

I strongly support SDI research -- because when perfected, it will put weapons at risk instead of people, and because it would reduce the threat of accidental attack turning into massive tragedy. It would be wrong -- even immoral -- to turn our backs on technology that could reduce the risk of annihilation.

In the coming months and years, we must seek reductions in the Soviet's substantial advantage in conventional and chemical weapons. Our commitment to the defense of Western Europe is at the very heart of our defense strategy, and it is absolutely essential that we maintain a deterrent to aggression. To do so, we must properly equip and modernize our conventional forces, and that will not be cheap.

We must also move toward the verifiable elimination of chemical and biological weapons. Ultimately, these terrible weapons should be banned from the face of the earth.

Overshadowing this arms control agenda, however, is the inescapable fact that the threat of nuclear attack comes not only from the Soviets. In the 1990's, more and more countries will have the capability of building a nuclear bomb.

Many of us have concluded that such weapons are more likely to be used in a regional conflict or in a terrorist attack than in a standoff between the superpowers. Yet any use poses enormous dangers to us all.

Nuclear proliferation is even tougher to restrain by negotiation than the arms race. But it is our moral obligation to do everything we can to keep nuclear blackmail out of the hands of madmen like Qaddafi or Khomeini.

We should spearhead a new effort to commit every nation to the Nuclear Non-Proliferation Treaty, and we should push more countries to be open to on-site inspection. We must also strengthen the International Atomic Energy Agency -- one U.N. Agency that does its work well.

SPACE

I am committed to reestablishing America as the world's leader in space. Americans are explorers -- we need to push back the frontier of our knowledge. Continued space exploration is vital to the nation's security and economic growth as well.

The new technologies resulting from space experiments have produced dynamic improvements in fields such as electronics and medicine.

Space exploration provides our children, the next generation of scientists and engineers, with a sense of vision to encourage their imaginations and energies.

These are three specific aspects to my space program:

The federal government should get out of the business of being a freight service for routine commercial payloads. I want to encourage the development of -- not compete with -- private commercial space development.

I support construction of a replacement space shuttle and a heavy lift launch capability that will provide us with flexible, reliable access to space, and I've strongly supported the development of a space station.

I support "Mission to the Planet Earth" -- which is a project designed to establish platforms in space to observe climatic changes on earth. The information gained through this project will be of great value to farmers, fishermen, weathermen, scientists, all of us.

BUDGET

The most important action we need to take on the budget deficit is to hold the line on taxing and spending. Raising taxes would only hurt the tremendous economic recovery we have had in our Administration. So the first priority is to control spending. I support the Gramm-Rudman deficit reduction targets. Our hard work is beginning to show results. Last year the deficit fell by more than \$70 billion from the previous year.

A president's first priority is to maintain the defense of the country. The question we should ask ourselves is not how much money we should spend, but what is required to be secure. Likewise, our seniors must feel secure in the knowledge that their Social Security will be safe and fiscally sound.

I support a constitutional amendment requiring a balanced budget deficit. I support a line-item veto to cut the fat from appropriation bills and put the national interest above the special interests -- these are the tools that 43 of our nation's governors already have and the President needs.

TAXES

I am opposed to tax increases. As President, I will not raise your taxes, period.

In the past several years, tax increases have been used to feed Congressional spending, not for true deficit reduction. This should be a warning to all future presidents against tax hikes -- unless you can control Congress's spending, increased revenues will go to increased spending.

I have recently proposed to reduce the capital gains rate to 15% (from the 28% scheduled under the Tax Reform Act) on gains held more than one year. We need more investment in order to compete in trade and industry with other countries.

I strongly supported the 1981 tax cut, which has been the primary engine for the unprecedented strong economic recovery of

he past five years. The 1986 Tax Reform Act was a good bill, though imperfect, and I decided on balance to support the final version that emerged from the conference committee. As I have noted, some tax incentives for business need to be restored; my capitol gains tax proposal would achieve the goal of encouraging risk-taking.

EMPLOYMENT

The best jobs program is a program that keeps our economy strong and makes American business leaner, tougher and better able to compete. (For example, the economic expansion of the last 70 months has created about 18 million new jobs.) We must expand economic opportunities so that everyone who wants a job can have a job. American workers and businesses have the ability and tenacity to compete with anyone -- and win. I see three keys to success -- more productivity, innovation, and quality.

Productivity: American labor and management must raise their productivity. We must work harder and be smarter than our competitors abroad. Labor and management must work together -- not against each other.

Innovation: We must stimulate more innovation. Our Administration has dramatically increased basic research. For example, we will double the NSF budget over 5 years. I propose making the R & D tax credit permanent to encourage more R & D investment by the private sector. We must strengthen the protection of intellectual property.

Quality: We are improving the quality of American products. In many cases, they are 95% error-free. But in today's environment, 95% is not good enough. We must have the absolute highest quality.

HEALTH CARE

Medical technology has made dramatic advances that have increased our ability to prolong life, but there are costs that go with this progress. Currently, out-of-pocket payments account for about half of long-term care expenditures. Medicaid and other government programs pay about 48 percent of the bill, and private insurance less than two percent.

We should try to reduce the need for care by devoting significant research attention to the prevention and cure of debilitating illnesses -- illnesses like Alzheimer's, arthritis, and osteoporosis -- that can keep us from caring for ourselves.

We are now providing protection against catastrophic acute medical expenses. But the legislation does not address the need for long-term care for the elderly -- whether at home or in a nursing facility.

I believe the best approach is to use the government to educate people about the problem and encourage them to provide for themselves to the extent they can, and we should be helping those who truly need help.

Our objectives should be, first, to increase awareness as much as possible; second, to allow and assist members of families to help one another; and, third, to create stronger incentives for individuals to provide their own long-term care needs.

These objectives imply that the plan should be structured to facilitate:

1. As much participation as possible,
2. Family unity and minimize costs,
3. The best use of government funds, and
4. Voluntary rather than mandatory.

The key is to get people to allocate more of their own income to future long-term needs. Here are some ways we should do that:

First, we should eliminate penalties incurred in converting life insurance, IRAs, and other savings plans to meeting long-term care needs.

Second, to keep costs down, we should encourage people to buy long-term care insurance early in life, and incentives to offer and to buy group plan insurance should be strengthened.

Third, we should rethink Medicaid requirements that require people virtually to bankrupt themselves before their spouses can qualify for benefits.

And, finally, we should continue to explore ways to provide more humane care and to help families care for their loved ones.

Most important, we must awaken people to the need for long-term care in their own lives. One out of every four of us will need such care at some point, and it might not be when we are older. Severe injuries often result in the need for long-term care.

DRUGS

Drugs are a cancer on our society. The war on drugs will be a top priority of my Administration. My involvement in this effort began in 1982 when I became the head of the South Florida Task Force, designed to improve efforts at drug interdiction. We

have had some good results in stopping this poison at the borders. But drug use must be attacked not only by stopping the supply, but also by stopping the demand. We have to educate our children about the dangers of drugs.

Eradication and Interdiction

To attack the supply, we must fight to keep drugs out of our borders -- and also stop distribution of drugs within our borders. One of my proudest accomplishments as Vice President was the development in 1982 of the South Florida Task Force, which organized all our law enforcement agencies in that area into a comprehensive fight against drug traffickers. This effort led to the broader scale National Narcotics Border Interdiction system, which I head. Under the Justice Department, we also established 13 Organized Crime Drug Enforcement Task Forces focused on the investigation and prosecution of major drug traffickers. There is much more we have done, but the important point is that it is vital that we build on these efforts and press forward to eliminate the supply of drugs on our nations streets. We should fully involve our intelligence community in this effort.

Prevention

Education is the first step -- conveying the message through our schools and our churches and our media, and most importantly, through our homes - that drugs are not cool, drugs are evil, drugs will chew you up and spit you out, and ultimately, drugs will kill you.

Employers can play a major role in discouraging drug use with programs of testing and follow-up. The military can serve as a model. Absenteeism improves, productivity rises, and accident rates drop.

Testing for drug use should be required of anyone responsible for the public safety -- airline pilots, for example, or prison guards. Indeed, testing should be required of anyone whose actions at work could put others at risk.

Tougher Enforcement

Tougher penalties are needed for those who poison our kids with drugs. For major traffickers, for those who commit drug-related murders, the penalty should be death.

We should crack down hard on criminals who get children to do their dirty work.

We must treat drug use as the crime that it is -- not legalize it, as some have suggested. That is exactly the wrong way to go.

The Zero Tolerance policy is important, not because it will stop the flow of drugs into this country, but because it sends the right message: if you're using drugs, you're abusing your country.

Drug possession should lead to arrest and a sentence.

We require counseling for drunk drivers, and we should do the same for drug users.

Failure to stay drug-free after arrest should mean time in jail. The message should be unambiguous: if you won't stop, then we'll stop you.

Presidential Leadership

I will put Dan Quayle in charge of a Cabinet-level "Council of War" on Drugs. The Vice President will take the lead in every aspect of federal drug policy -- interdiction, law enforcement, education, and rehabilitation. The Vice President will have the power and the authority from the President that is required to do the job.

This is a global problem. As such, it will be given an even higher priority in our dealings with foreign governments.

Eradication of drug supplies from home and abroad will be one of the highest priorities of the Bush Administration. We should create an international strike force to hit back quick, hard, and often at foreign drug operations. Stepped-up intelligence is essential in this effort.

I will call for a hemispheric summit to discuss how countries in Latin America can end their economic dependence on drugs.

I will make adoption of drug-free programs a condition of obtaining federal contracts and will ask states to do the same.

WOMEN

As president, I will continue to be, as I have been throughout my career in public service, an advocate of women's rights. We are in a period of extraordinary growth in both the number and quality of jobs held by American women. I am adamant in my support of pay equity for women. My message to American business is this: We've had enough excuses. It is time we had equal pay for equal work. Equality must extend throughout the economy. Women should earn just as much as men for the same job.

Under the current economic expansion, pay equity for women has increased to 70 percent of what men earn -- one of our best accomplishments. But I will not be satisfied until men and women

earn the same wage for the same job. The best route to advancement for women in our society is through the free enterprise system and continued economic growth.

But in cases where women are prevented from fulfilling their potential because of discrimination, I will vigorously enforce the laws guaranteeing equality. I will encourage the states to eliminate laws which discriminate against women.

I want to encourage voluntary parental leave policies for those innovative -- and forward-looking -- employers to allow reasonable amounts of time off. But I am against federally mandated parental leave, since such affairs are properly handled by the private sector. Similarly, we need an expanded child care system that parents can trust. I have proposed a plan that would increase affordable, quality care.

The greatest gains in women's economic status have come about through the expanding economic opportunities of the last seven years. My Administration will seek justice, equal rights, and opportunities for all women.

CHILD CARE

I have spent time discussing the child care issue with mothers and fathers, employers and employees, liberals and conservatives. There are wide differences of opinion about the right approach. What came through clearly is that the single most important issue arising from the changes in our work force is child care.

We must insist on the highest quality child care. But, the government should be encouraging flexibility, not clamping down on parental choice. The government should be expanding options, not restricting availability.

I will build a policy around parental choice. Particularly, we must find a way to put a greater range of choices in the hands of low income parents -- because they face the greatest difficulty in meeting the demands of work and family.

This is my four-point program on child care:

New Children's Tax Credit

I propose the creation of the "Children's Tax Credit," a new refundable tax credit of up to \$1000 per child under age 4, to recognize the increased costs of families with children. Implementation could be tied to the earned income tax credit, and the tax credit would phase out as income rises.

Refundable Dependent Care Tax Credit

I propose to maintain the existing dependent care tax credit and to take an additional important step to make it refundable. Too many low-income families go without the assistance we make available to upper income families because they do not earn enough to pay taxes. A family could take the greater credit -- the Children's Tax Credit or the refundable dependent care credit.

Child Care for Employees

I would initiate more employer-sponsored day care, starting with the federal government as a model. I would see that every Agency provided federal-sponsored child care to government employees.

I propose expanding the role of employers by establishing a federal reinsurance revolving pool to reduce obstacles presented by lack of available liability insurance. I encourage employer sponsored child care, flexible work schedules and benefit plans in which employers must better demonstrate flexibility and sensitivity to family needs.

Employers have a major role in helping parents find needed child care, but I do not support give-aways of taxpayer dollars to get business to recognize what it already knows: that it must provide assistance for more and better child care. Workers demand it; productivity demands it; the bottom line demands it.

More Choices, Better Information

I propose additional resources to address specifically the needs of all working parents for a broader range of choices and higher quality child care. Many states and localities are addressing the needs of pre-school and after-school care, improving the quality and availability of care, but many more must catch up.

I would authorize federal resources to provide seed money for new program designs in sick child care, and before- and after-school care, using educational facilities in federal funds that would also be devoted to the following initiatives designed to expand the availability of day care alternatives:

- a) Incentives would be given for school districts to create or expand programs for before- and after-school care, and for public/private community partnerships. Ideally, these programs would also have an educational component.
- b) Employers would be encouraged to provide employer-sponsored child care, work schedules, and benefit plans.

- c) Phase in funding to enable enrollment of all eligible four-year-olds in Head Start.
- d) Instruct the Department of Labor to develop consumer education guidance and information and referral services.

CIVIL RIGHTS

We need a new harmony among the races in our country. The sadness of racial tensions in America should have ended completely by now. Racism has no place in American society. We are now on a journey to a new century and we must, finally, leave the tired old baggage of bigotry behind us.

We must encourage tolerance and ensure that we all view one another as "Americans" -- not as white-Americans, or black-Americans, or Mexican-Americans. We must not condone distinctions that allow any segment of our society to enjoy privileges not available to all.

Our Administration has done much more to enforce the civil rights laws than did the Carter Administration. In our first 6 years, we brought 55 criminal civil rights cases, compared with 22 cases brought in Carter's term. In FY 1987, we had a record number of criminal civil rights prosecutions, a record number of racial violence cases, and a record number of employment discrimination cases.

HOMELESSNESS

I have great compassion for those who are homeless and live on the margin of society. This is a diverse group with ranging needs. For example, a survey of the U.S. Conference of Mayors shows that contrary to the common view of who is homeless, a significant number of homeless are younger men between 18 and 25 years old and families seeking shelter -- and about 1 in 5 homeless work full or part time. We must do more to meet the needs of the homeless -- and, more important, to understand and eliminate the causes of englishness.

We are acting. In 1988, the federal government will spend directly about \$400 million in assistance to the homeless on such things as emergency shelter and medical care. More importantly, the federal government is making about \$10 billion in block grants to the states in homeless-related aid, such as shelter, low-income support, mental health clinics, and other communities.

We must do more to enforce existing laws benefitting the homeless, and to make sure the federal government meets its obligations. For example, there is often an ignored law on the books that requires the Defense Department to allow use of vacant space in military bases as emergency shelter.

The report by the U.S. Conference of Mayors shows that an average of 26% of homeless persons are severely mentally ill. We need to develop community-based mental health clinics, so those who are in the community can receive the care they need to function in society.

Part of the solution is to increase the stock of low-income housing, so that homeless people can find homes. There are some good projects in the private sector to help do this, like the Enterprise Foundation, and the Nehemiah Program in Brooklyn. Last August, the Housing Rehabilitation Task Force issued a report that said there are 1.7 million buildings that can be rehabilitated for use by the homeless, and recommended changes in zoning and other laws to make them available. We should implement aspects of that report.

HOUSING

A chief goal of the Bush Administration will be to see that all American families are able to obtain decent, affordable housing. In 1980, when the prime rate was over 20 percent, housing was difficult for most Americans to afford. Now with low inflation and low interest rates, housing is again within reach of America's families.

The task for the next decade is to see that all Americans, especially young Americans, can find the homes and stable communities they need to build their lives and families. To do this, we will maintain the policies that have brought us low inflation, low interest rates, and strong job creation, which have given many Americans the income to buy homes.

A Bush Administration will be sensitive to all. We will pursue equal housing opportunity methods for providing housing to low-income and elderly Americans as well.

My economic progress will be aimed at maintaining low interest rates as an essential element of providing affordable housing. The first leg of this policy, of course, is to promote the importance of home ownership by retaining the homeowner tax deductions. Home ownership continues to be one of the highest social priorities in America. The Tax Reform Act of 1986 supports continued widespread home ownership through the mortgage interest tax deduction. Furthermore, my Administration will continue to support America's housing lenders' efforts to meet the needs of America's mortgage borrowers.

I support various efforts to end housing and welfare dependency. We should permit more flexibility of program implementation at the state and local level, which would allow greater experimentation with available resources. For example, under one proposal, local housing authorities and owners would be permitted to phase in or delay rent increases for tenants who are newly employed, as an incentive to keeping a job.

Finally, my Administration will continue the commitment I made over two decades ago as a young Texas congressman: to promote and maintain an amending commitment to equal housing opportunity by pursuing the full enforcement powers of Federal Fair Housing laws.

SOCIAL SECURITY

A Bush Administration will not treat Social Security as a partisan issue. The income Social Security provides to elderly Americans is too important. And I do not favor cutting Social Security benefits. As President, I will keep the system solvent and secure for this generation's children, and our children's children.

In 1981, the Social Security trust fund was going broke. Actuarial estimates showed that the fund would run out of money by the end of 1983. Public confidence in the program was falling. Young people doubted whether they would have a Social Security check when they reached retirement, and the elderly people saw the program, upon which they relied, in jeopardy.

The Administration appointed a bi-partisan panel on Social Security recommending sweeping reforms in the system, which Congress enacted -- to ensure the solvency of the program well into the next century. Of course, there are challenges ahead in administering the system. But any foreseeable difficulties in running Social Security can be met within the parameters of the existing system.

I am concerned about the notch inequity. People get different benefit levels just because they happened to be born in one year instead of another. We must see if we can find a way to bring greater equity into the Social Security system without jeopardizing the solvency of the Trust Fund and without increasing payroll taxes.

Elderly Americans have worked hard to build the American dream that we now enjoy. The government doesn't give them the Social Security; they've earned it. As President, I will keep the Social Security system solvent and secure for this generation and future generations.

URBAN ISSUES

The nation's cities are in need of renovation and renewal. We need to continue this economic expansion's unequaled record of producing jobs. Urban enterprise zones are the type of forward-looking solutions that will help expand economic opportunity into the inner cities.

During the last seven years, I have repeatedly supported urban enterprise zones as a means toward that end -- that is,

establishing sections of the nation's cities where private enterprise is given tax incentives to set up businesses and invest in these areas. The Democratic Congress has opposed these measures and prevented progress in this area. As President, I would turn up the heat on this issue and fight for the expansion of economic opportunity to our inner cities.

DISABLED AMERICANS

The vast majority of the 36 million disabled Americans believe that their lives have improved in the past decade. Attitudes toward disabled people are changing in a positive direction and more disabled people than ever before are being educated.

These disabled individuals made it very clear that those in the disability rights movement have two critical goals: the right of people with disabilities to control their own lives and make meaningful choices; and the right to be integrated into all aspects of society.

In order to assure that every disabled American who wants a productive job in the private sector has a job, I will continue to support initiatives to:

Ask the private sector to work more aggressively in hiring disabled people, using my office to educate employers about the statistics showing clearly that, other things being equal, disabled employees perform above average;

Train disabled people for jobs that really exist where they live;

Work with Congress to eliminate disincentives that discourage disabled persons who wish to work;

Improve transportation and work place accessibility for existing facilities and insist on accessibility for all new construction;

Support independent living-centers to help disabled persons with the transition to independence; and

Urge private insurers to find ways to include -- not exclude -- disabled workers in their programs.