

BUSH VERSUS CLINTON: TAXES, SPENDING, TRADE, REGULATION

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TO: JUDY BIVIANO
FROM: BUSH/QUAYLE '92

- Today, President Bush travels to St. Louis, Cincinnati, and Findlay, Ohio, to discuss his economic proposals.

- President Bush and Bill Clinton have fundamentally different economic proposals. The President believes in lowering taxes, cutting spending, free trade, and less government intervention.

- Bill Clinton believes in massive taxes, increasing government spending, trade barriers, and more government mandates and regulation.

TAXES

President Bush believes that lower taxes are the key to spurring new economic growth. President Bush:

- Wants lower rates.
- Proposes lowering capital gains to 15.4%.
- Proposes a \$500 personal exemption increase, tax credits and penalty-free IRA withdrawals for first-time homebuyers.
- Vetoes the Congressional Democrats' \$100 billion tax increase bill (H.R. 4210)

SPENDING

President Bush believes that government is too big and it spends too much. President Bush:

- Proposes that taxpayers be allowed to earmark up to 10% of their payment to reduce the debt.
- Calls for line-item veto authority and a balanced budget amendment.
- Proposes \$130 billion in specific spending reductions which could finance new tax cuts.

FREE TRADE

President Bush believes in opening new markets and building free trade with our economic partners. President Bush:

- Signed a North American Free Trade Agreement with Canada and Mexico, which promises to create 400,000 jobs.

REGULATION

President Bush believes in less government regulation and less government intervention. President Bush:

- Ordered a freeze on new federal regulations.
- Believes individuals - not government bureaucrats - should make life's choices.

Bill Clinton believes massive new taxes are the key to economic growth. Bill Clinton:

- Is fighting for a massive \$150 billion tax increase, the largest in American history.
- Says a cut in the capital gains rate will only benefit "the rich."
- Wants to hike income tax rates even though 75% of those affected will be small businesses.
- Would have signed the Democrats' tax bill.

Bill Clinton believes in more government spending and larger government bureaucracies. Bill Clinton:

- Proposes a spending increase of \$220 billion, not counting the cost of his "play or pay" tax plan.
- Abandoned his original hope of cutting the deficit "dramatically" in five years.
- Proposed less than \$5 billion on specific spending cuts; would eliminate just one federal program.

Bill Clinton believes America cannot win the economic competition and should hide behind a wall of protectionism. Bill Clinton:

- Is waffling on NAFTA; the former fast-track advocate now says: "When I have a definite opinion, I'll say so."

Bill Clinton believes in more government regulation and government intervention. Bill Clinton:

- Proposes new health care and worker retraining mandates, financed by new payroll taxes, that will cost at least 1 million jobs.