



Campaign Briefing

**PRESIDENT TO HOLD
PRESS CONFERENCE
TONIGHT**

ISSUE 82

Thursday June 4, 1992

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HEADLINES

- President plans to extend China MFN status. (Pg., 2)
- US economy on the upswing. (Pg., 1)

TODAY'S SCHEDULE

President Bush meets with Eastern Caribbean leaders; holds televised news conference at 8:00EDT.

Vice President Quayle participates in roundtable with leaders of term limitations campaign; addresses RNC President's Club reception.

NEWS IN BRIEF

READY TO COME OUT FIGHTING In a satellite address Wednesday to a California GOP Unity Breakfast, President Bush congratulated Republican candidates and thanked them for helping him achieve his strong victory in California's primary. The President told them that he and former President Ronald Reagan had a very positive meeting last week in which Reagan "*pledged his full support, active support*" of Bush's re-election campaign. "*When that convention of ours is over, I'm coming out of there with my sleeves rolled up ready to take this fight to every precinct in this country,*" Bush promised. "*We're going to win it. Believe me, we are going to win it.*" (6/3)

Good News for the Economy

SECRETARY BRADY HAILS UPTURN IN U.S. ECONOMY

Treasury Secretary Nicholas Brady hailed the upturn in key economic indicators this week as laying "*a foundation for growth.*"

The Commerce Department's Index of Leading Economic Indicators registered its fourth straight month of progress. The National Association of Purchasing Managers reported their Index of economic activity reached a four year high in May due to increased exports and industrial production. Morgan, Stanley & Company chief economist Stephen Roach hailed the NAPM index's findings as signifying this is "*a manufacturing-led recovery.*"

U.S. trade performance for the first quarter of 1992 represents the second best performance in almost a decade. Modest gains in personal income and consumer spending for April were reported by the Commerce Department. Manufacturing payrolls experienced a significant \$4.4 billion increase, four times the amount for March. Factory orders rose 1 percent in April.

Last week, the Commerce Department's economic growth indicator for 1992's first quarter showed the largest gain in three years. Brady cautions future economic gains will not be startling but should avoid inflation. He has also warned the deficit imperils future economic progress. President Bush is fighting for a Balanced Budget Amendment to ensure long term economic growth.

Issue Brief: Balanced Budget Amendment

BUSH PRESCRIPTION FOR DEFICIT: PASS THE BBA

The Balanced Budget Amendment is not just a campaign issue for President Bush. It was his first written request to Congress upon taking office. Every year we do not have a Balanced Budget Amendment winds up costing taxpayers real money.

- Four trillion dollars of debt have accumulated from Congress' spendthrift ways. By the time you finish this sentence, we have raised the national debt another \$10,020.

What you can't see on your tax form does hurt you. The deficit has a very direct impact on your life. President Bush wants a Balanced Budget Amendment to help our families.

- The National Taxpayers Union estimates debt interest payments will cost taxpayers \$295 billion this year. That means 62 cents of your tax dollar pays interest on the national debt. Twenty-seven percent of all federal revenues falls down the debt sinkhole. Left unchecked, federal spending will only increase, consuming more and more of your tax dollars. The money wasted paying interest on the national debt would be better off staying in your own pocket.

President Bush knows relief to our nation's spending problem comes in three words -- Balanced Budget Amendment. It is up to Congress to start the process to ensure he will have a tool that 49 of the 50 states use to balance their budgets.

- We must get spending under control now -- or else there will be even more to pay later. There is too much at stake not to have a Balanced Budget Amendment.
- There is a real benefit to getting our government back in the black. The money saved will be available for the savings and investment that creates jobs and economic opportunity.

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NEWS IN BRIEF continued

THE ENVIRONMENTAL PRESIDENT "George Bush is unquestionably the environmental president," Michael Deland, Chairman of the President's Council on Environmental Quality said during a CNN interview on Wednesday. "You have to reach back to Teddy Roosevelt to find a president who's been as actively committed, engaged in the environmental issues as has George Bush." The president has increased funding to protect and acquire new lands for national parks and wildlife refuges; banned drilling off ecologically sensitive coasts; and increased EPA's budget up by 54 percent. In addition, Deland noted that Bush "broke a 13 year log jam on Capitol Hill by proposing and squiring through Congress an Innovative Clean Air Act." (CNN World Day, 6/3)

CAMPAIGN STATISTICS -- 1992 vs. 1988

- Throughout the 1992 primary season to date, George Bush has garnered 2 million more votes than in 1988.
- The total Republican primary turnout in 1992 was up 1.9 million voters over 1988 turnout. At the same time, total Democratic primary turnout in 1992 dropped 2.6 million from 1988.
- Bill Clinton's unfavorable ratings in May 1992 (average of 46%) are higher than Michael Dukakis's were in May 1988 (average of 16%).
- Throughout the 1992 Republican delegate selection process, President Bush has maintained an unbroken streak of victories (39 out of 39 primaries, 10 out of 10 caucuses, and 3 out of 3 state conventions).

ECONOMYWATCH

MOVIN' UP The 1980's were a decade of mobility for low- and middle- income Americans as well as prosperity for all Americans. A new Treasury Department report shows "substantial numbers of low-income Americans moved up the income ladder in the 1980's, while those who started the decade at the very top tended to remain there." Rep. Richard Armey [R-TX] commented on the political folly of pitting classes against each other: "There is literally no class in the class war...(these studies) show why pitting the poor against the middle class and the middle class against the rich doesn't work in American politics." (Wall Street Journal 6/2)

STATEWATCH

MICHIGAN WELFARE REFORM PLAN: POSITIVE INCENTIVES "Michigan Governor John Engler's [R-MI] welfare reform package...seeks to foster fundamental

change by creating positive incentives that will help welfare families with children achieve economic and psychological independence. This serious, detailed and down-to-earth blueprint is based on a sound general premise: Work has intrinsic value to individuals and their families, and Mr. Engler's plan properly identifies most of the social, economic and bureaucratic mechanisms that lock people out of meaningful employment, into welfare dependency." (Detroit Free Press, 6/2)

GOVERNOR HUNT: "PRESIDENCY CANNOT BE PURCHASED" "Being a farm boy and coming from a poor background, I'm really not ready for a billionaire to run my country. I don't think that we should ever come to the point in time that the presidency can be purchased with great amounts of money.... As (Perot) campaigns more and more, the President will become stronger." Alabama Governor Guy Hunt [R-AL] (6/2)

FISCAL RESPONSIBILITY: "South Carolinians have found that a Balanced Budget Amendment has kept their government at home responsible. And they believe that a Balanced Budget Amendment will maintain the fiscal integrity that the United States needs to maintain." Governor Carroll Campbell [R-SC] (6/4)

WHAT THEY'RE SAYING

BALANCED BUDGET TO SPUR ECONOMY "One basic American value is thrift, living within your means, balancing the budget.... The very first written request that the President made of the Congress after he was sworn in was to pass the Balanced Budget Amendment. We have a chance to pass it now.... Some responsible Democrats want to cooperate with unanimous Republican support to do it.... Passing that amendment will do more to spur the economic growth in the nineties than any other single thing the government could do." CHARLIE BLACK, Senior Advisor of Bush/Quayle '92 (CNN Crossfire, 6/3)

PEROT'S VAGUE PROPOSITIONS "[Perot] doesn't have a specific stand on a single issue. He offers very vague propositions of principle to the American people, which are contradictory.... He says he's against taxes, but yet in the last 30 days in three different places, he's said he would raise taxes. He can't have it both ways.... People I don't think in the end are going to invest their vote in a person who's being deliberately vague and who's got some real crackpot ideas...and who tries to have it both ways by acting like a politician." RICH BOND, Chairman of the Republican National Committee (ABC Good Morning America, 6/3)

For draft news releases, news conference statements, letters to the editor, speeches, op-eds, and talking points, please call the STATE PRESS OPERATIONS DESK at 202/336-7294.

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