

Office and Civil Service was discharged from further consideration of the joint resolution (H.J. Res. 343) to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day".

When said joint resolution was considered, read twice, ordered to be engrossed and read a third time, was read a third time by title, and passed.

A motion to reconsider the vote whereby said joint resolution was passed was, by unanimous consent, laid on the table.

Ordered. That the Clerk request the concurrence of the Senate in said joint resolution.

¶9.26 NATIONAL WOMEN AND GIRLS IN SPORTS DAY

On motion of Mr. SAWYER, by unanimous consent, the Committee on Post Office and Civil Service was discharged from further consideration of the joint resolution (H.J. Res. 395) designating February 6, 1992, as "National Women and Girls in Sports Day".

When said joint resolution was considered, read twice, ordered to be engrossed and read a third time, was read a third time by title, and passed.

A motion to reconsider the vote whereby said joint resolution was passed was, by unanimous consent, laid on the table.

Ordered. That the Clerk request the concurrence of the Senate in said joint resolution.

¶9.27 IRISH-AMERICAN HERITAGE MONTH

On motion of Mr. SAWYER, by unanimous consent, the Committee on Post Office and Civil Service was discharged from further consideration of the joint resolution (H.J. Res. 350) designating March 1992 as "Irish-American Heritage Month".

When said joint resolution was considered, read twice, ordered to be engrossed and read a third time, was read a third time by title, and passed.

A motion to reconsider the vote whereby said joint resolution was passed was, by unanimous consent, laid on the table.

Ordered. That the Clerk request the concurrence of the Senate in said joint resolution.

¶9.28 MESSAGE FROM THE PRESIDENT—ECONOMIC REPORT

The SPEAKER pro tempore, Mr. ORTON, laid before the House a message from the President, which was read as follows:

To the Congress of the United States:

1991 was a challenging year for the American economy. Output was stagnant and unemployment rose. The recession, which began in the third quarter of 1990, following the longest peacetime expansion in the Nation's history, continued into 1991. The high oil prices and the uncertainty occasioned by events in the Persian Gulf were quickly resolved with the successful completion of Operation Desert Storm early in the year. Most analysts expected a sustained recovery to follow. Indeed,

signs of a moderate expansion began to appear in the spring. Industrial production and consumer spending rose for several months. By the late summer, however, the economy flattened out and was sluggish through the rest of the year.

Our recent economic problems are a reminder that even a well-functioning economy faces the risk of temporary setbacks from external shocks or other disturbances. Market economies, such as the United States, are continually restructuring in response to technological changes and external events. Occasionally, structural imbalances develop that can interrupt economic growth. The American economy experienced an unusual confluence of such imbalances in recent years, for example in the financial and real estate sectors, and in household, corporate, and governmental debt. At the same time, a major reallocation of resources from defense to other sectors has been under way. Not least, the lagged effects of a relatively tight monetary policy coupled with problems in the availability of credit, especially for small and medium-sized businesses, dampened economic growth.

The U.S. economy, however, remains the largest and strongest in the world. The American people enjoy the highest standard of living on earth. American productivity is second to none. With less than 5 percent of the world's population, American produces a quarter of the world's output.

As we move into 1992, the fundamental conditions to generate economic growth are falling into place. Interest rates are at their lowest levels in decades and should help boost investment and consumer spending. Inflation is down and expected to remain relatively low. Generally lean inventories imply that increases in demand will be met mainly from new production, which will generate gains in employment and income. America's international competitive position has improved, as evidenced by record levels of exports.

Nevertheless, the United States faces serious economic challenges: To speed, strengthen, and sustain economic recovery; and, simultaneously, to provide a firmer basis for long-term growth in productivity, income, and employment opportunities. In both my State of the Union Address and my fiscal 1993 Budget, I presented a comprehensive program to encourage short-term recovery and long-term growth. I have already taken steps to accelerate job-creating Federal spending, to adjust income tax withholding that will add about \$25 billion to the economy over the next year, and to renew the attack on excessive regulation and redtape that hamper business formation and expansion and job creation. I will also continue to support a monetary policy that keeps inflation and interest rates low while providing adequate growth of money and credit to support a healthy economic expansion.

Most of my program will require congressional action. In addition to the ex-

ecutive actions I have already announced, my immediate agenda includes:

- Investment incentives to promote economic growth: a reduction in capital gains tax rates; a 15-percent investment tax allowance; and an improved alternative minimum tax.

- Incentives to help revive real estate: a \$5,000 tax credit for first-time homebuyers; penalty-free withdrawals from individual retirement accounts for first-time homebuyers; low-income housing credits; tax preferences for mortgage revenue bonds; a modified passive loss tax rule; and a tax deduction for losses on the sale of a personal residence.

My intermediate and longer term agenda includes:

- Investment in the future: record levels of spending for Head Start and anticrime and drug abuse programs; a comprehensive Job Training 2000 initiative, which will enhance the skills and flexibility of our work force; record levels of spending for research and development and infrastructure; record spending on math and science education; and Enterprise Zones.

- Pro-family initiatives: an increase in the personal tax exemption for families with children; new flexible individual retirement accounts for health, education, and first home purchases; and tax deductibility of interest paid on student loans.

- Comprehensive health reform: vital cost containment measures and tax credits for the purchase of health insurance.

Also before the Congress is an urgent unfinished agenda that I proposed earlier, including financial sector reform to make our banking system safer, sounder, and more internationally competitive; the America 2000 education reforms necessary to meet the national education goals, produce a new generation of American schools, and provide the choice and competition that will promote better performance and strengthen accountability; the National Energy Strategy to meet our Nation's energy needs through a combination of enhanced production, diversification of sources, and conservation, thereby enhancing our energy security; and legal reforms to reduce the litigiousness that unnecessarily adds to costs and stifles innovation and productivity.

Successful completion of the Uruguay Round of the General Agreement on Tariffs and Trade and a North American free-trade agreement remain major priorities. I also urge congressional action on the Enterprise for the Americas Initiative. These market-opening initiatives will spur growth and create jobs.

My program can be accommodated within the limits established in the budget agreement of 1990. I am also asking the Congress for budget process reforms: a line-item veto and caps on