AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

can get this country moving on the economic front and keep us the leader of the world on the international front.

I'm told that, Judd was telling me and others today, that we've been subjected here to a lot of negative advertisements. The voters have been subjected to millions of dollars of these negative attacks, the kind that just tear people down by name and turn people off, I think. But I am confident that the people of New Hampshire understand what this election is about. It's not about who can trash another person's candidacy in some 30-second spot. It's about who can lead this country, who can continue to lead the free world. And what it's really about is setting a direction of this country for the next 4 years.

And again, I need your support to continue this job. Thank you all. And may God bless our great country, the United States of America. Thank you very much.

Note: The President spoke at 11:58 a.m. at New Boston Central Elementary School.

Remarks and a Question-and-Answer Session in Goffstown, New Hampshire

February 15, 1992

The President. Thank you for that warm welcome back. Before we get started, let me just thank Dr. Conway, the superintendent, and to thank Ms. Colby, who is the assistant principal here, and Vivian Blondeau, the chairman of the school board, and say how pleased I am to be here and pleased that we have this opportunity to meet in this wonderful school.

What we are going to do today is just, in the 20 minutes allocated, take questions. So, I think the way to do it is just let me say one word: I'm up here to ask the support of the people of New Hampshire to be President of the United States for 4 more years.

And we've made a lot of progress in the world. The cold war is over. International imperial communism, the aggressive part that's reaching out and trying to do in others, that's finished; it's dead. Aggression has been pushed back and international law established by the international defeat, you might say, of Saddam Hussein when we kicked him out of Kuwait.

So, a lot of good things have happened. And we are clearly the leaders of the world. And I do not want to see us pull back into isolation in fear because the economy of this State and other States is hurting. And so, what I'm asking the American people to do is say please help me get through Congress the economic growth package that I have sitting down there now. It would move the housing industry, the real estate industry, would lift the spirits of this State. So, we've got a plan. It isn't a campaign plan. It's enshrined, enrolled in two big pieces of legislation. And I need your help leaning on the United States Congress.

Let me thank the man who introduced me, who is our leader here, Governor Gregg of this State. I'm very fortunate to have him as my campaign chairman and delighted he's here and has just introduced me.

Now, with no further ado, I'd be glad to take any questions. Yes, sir.

Banking Industry

Q. Mr. President, my question is, the banking industry in this State is very, very, very tight. I would like to know, what can our Government do to relieve the rules and the pressures of the Fannie Mae, which is from a one-family to a four-family home, and to stop the foreclosures that are going on with people that should not have their home foreclosed on? And then also, in the business sector, relieve the pressures from the banks so they can loan us money so we can put people back to work? They will not loan money to any business. Thank you.

The President. Well, it's a very important question. And one thing we are trying to do

is to relieve this credit crunch by doing a better job on regulation. We've called in all the regulators. We can't go back to forgiving bad practices; we're not going to do that. But they've gone too far the other way. And I think the best answer to freeing up credit is trying to get these regulators to go forward and take a hard look at the existing regulations, as we've done, and say, "Look, good banks should make good loans; don't discourage them."

Interest rates are down. We are poised, because of where interest rates are and inflation is, to make a real recovery in this country. And so, I'm optimistic that these banks will begin to start making loans. Their balance sheets are in much better shape nationally. The regulation load is being lightened, although I'm having a big fight with Congress on some of that right now in the Senate Banking Committee. And I think it's going to move in the right direction.

On Fannie Mae, it's tough because those are independent, and we can't snap our fingers and control them.

But credit crunch, it's hurt us. My appeal is to the good, sound institutions to make sound banking loans, and I think that's the kind you're talking about. I don't think anyone wants to go back to the excesses of the eighties in terms of savings and loan excess or financial excess. One thing that's cost us and has hurt the deficit is the money that the Government has had to put in to cover the depositors. One good thing is not one single depositor has lost money. And I'm determined to keep it that way. But I think this change in regulations is going to help. Thank you.

Who's over—yes?

Capital Gains Tax

Q. Welcome, President Bush, thank you. I'm a student of business right now, and I have a business question for you. You proposed a capital gains cut which, it seems to me, is going to benefit people who are investing in art, in jewelry, and other things, instead of an investment tax credit which would invest in business and make it more competitive and more productive. Why is that?

The President. We have proposed, maybe you missed it, in our proposal we have before the Congress right now an investment tax allowance. The ITC, itself, what you call investment tax, is terribly expensive. I think the revenue loss estimates were something like $250 billion. So, we couldn't do that and fit it into our budget plan without a tax increase, which I would like to firmly avoid and I'm determined to avoid.

Investment tax allowance is what you might more appropriately call more rapid depreciation which will stimulate the kind of investment you're talking about. The capital gains cut, I am absolutely convinced, will stimulate jobs and stimulate investment, too. It worked under the Steiger amendment in 1978. I think it would have a very salutary effect. And it isn't what some of the opponents call it, a tax break for the rich. It's going to create jobs. It's going to create people taking more risks. So, look at how it worked in '78. And I think you'll find that this combination of these two things really will stimulate the economy.

And what's happened, I send this seven-point—they're all stimulatory tax provisions—say to the Congress, "Pass it by March 20th." They go in behind closed doors, beat it on a straight party-line vote, including this investment tax allowance, ITC type of thing, and come out and say, "Well, what we've got to do is redistribute the wealth by increasing taxes."

I do not think that's what the American people want, and I'm going to fight for this growth package. I'm not going to give up on it. I think we can make some headway in the Senate and in the House floor. But I'm not sure; we may not agree on a capital gains. You take a look at this ITA, this tax allowance, this stimulation; I think you'll find it's good.

Yes, sir?

Federal Budget

Q. Thank you for coming here. My question to you, I've heard your speech recently, is reducing the size of the Government. We've gotten so big and so out of control. Can you speak to us, Federal level, what can be done to lower the cost and the size of the Government?

The President. Lowering the cost of it, it's a good point. It is too big and takes too much out in the gross national product in taxes.

The only good thing about the budget agreement that was passed in 1990 is that it put caps on the Federal spending. It put caps on discretionary spending. Now, I hear some candidates running around here, around this State, saying they're going to freeze all spending. That sounds attractive, but I don't think that's fair to the senior citizen, for example. I don't think that he should be denied, he or she denied the cost of living increase, for example. So it's easy to say that. And I think we've got to control the growth of the entitlements, but I don't think the freeze is the answer.

I do believe that this proposal of holding the caps on Federal discretionary spending is important. And right now, you listen to the Congress, Democrat Congress, they're talking about getting rid of those caps or shifting the caps. The best protection for the taxpayer is to hold those caps on Federal spending. And I believe, I think we can be able to do that. That's the key.

Who's next? Way in the back, Father.

Education

Q. Thank you, Mr. President. First of all, I commend you on your courageous position regarding the life of the unborn in our country. As president of a college, I'd like to ask a question on higher education and ask if you'd comment, please, on your plans to help low- and middle-income families have access to colleges of their choice and particularly independent colleges in terms of Federal aid.

The President. Father, let me say this: I believe in school choice. We have an excellent education program. It is called America 2000. It is not Republican. It's not Democrat. It's not conservative. It's not liberal. It works to implement the six national education goals that were passed by the Governors, Democrat and Republican alike. One of the provisions of our America 2000 program is choice.

When I got out of college, I was a recipient of the GI bill. I fought for my country, and one of the things that veterans got way back then was a GI bill. And they didn't say what kind of school you could go to. They simply said, "Take your choice." I believe that choice is one of the best ways to increase the quality of education from all schools, and I'm going to continue to fight for it. And that, I think, gets to your question. That is the fundamental part of America 2000. It is a fundamental part of how we improve education.

And you do it through vouchers, but different private schools ought not to be denied. One of the allegations is, well, people will leave a bad school to go to a good school. Where that's happened, the bad schools have improved. Take a look at Rochester, New York, as a good example.

So, the answer to the question you're raising is choice. And back it up so that the parents will have the main say. I had the mayors, I mentioned this in the State of the Union, I had the mayors from the National League of Cities in. And they were Mayor Bradley of Los Angeles, great big, complex metropolitan area, a Democrat; a tiny town in North Carolina with a Republican mayor, 3,000. And they said, "The one thing that concerns us is that the fundamental cause of a lot of these problems is the demise of the family." And what we're trying to do there is strengthen the family. And choice, I think, is one of the best ways to go about it.

Way in the back. Yes, ma'am. We can hear you. Go ahead.

Energy Policy

Q. This is something I don't hear a lot about. I would like to know what plans are in the works for the further development of solar energy, particularly where it appears we may have a lot more sun than we know what to do with soon? [*Laughter*]

THE PRESIDENT. I'm very proud of our administration for first having taken the lead on phasing out CFC's and then speeding it up when new scientific information came in. We moved very fast on that. And I believe that set a good example for other countries around the world, and I confidently expect that the EC and other countries will follow the lead of this country in phasing out these CFC's that do damage to the ozone layer.

Our energy program puts a good deal of

emphasis on alternate sources of energy, not simply solar, incidentally. It is all sources of energy other than hydrocarbons. And we are not going to be independent so that we can get rid of all burning hydrocarbons; that simply can't be done. It's unrealistic. I want to see this country less dependent on foreign oil. And if our energy program gets passed, it will do that, alternate sources, conservation, and certainly not neglecting the domestic side of the hydrocarbon industry. So, it's in our energy bill, and I think we can move relatively fast. But to say to the country, as I've heard some people up here do, we can solve all these problems by going to solar energy today, that simply is not technologically feasible. We just don't have the delivery system of that kind of energy source.

Also, and I know this one might be controversial, and I don't know where you come down on this one, but I also happen to believe that safe utilization of nuclear power is in our interests. It burns clean, and technology is good. I know you get a lively debate on it, but as I look at the energy requirements, we ought to do that.

U.N. Conference on Environment

Q. I was wondering if you could let us know whether or not you're planning to attend the United Nations Conference on the Environment and Development?

The President. Her question was whether I plan to attend the United Nations conference which will be held in Brazil on the environment. We're talking about that right now. The problem is it comes at a time when we've got a relatively hot political year here. But the United States must lead, and I have not told President Collor of Brazil yet whether I can do it. I'm talking to other world leaders as to whether they're attending. Bill Reilly, who is doing a superb job as head of the EPA, is back; we're going to have a meeting with him next week.

So, the answer is, a decision has not been made on that. I just don't know. But whether I'm there or not, they're certainly going to have full cooperation and, I'd say, leadership from the United States. It's an important conference.

Way in the back.

Student Loans

Q. Yes, Mr. President, I am an ex-student from the New England area, and I'm sure you know that probably a good portion of the schools in the United States are located in the East. As of this year I'm not able to deduct the interest on my student loans anymore. That really hurts because I owe about $25,000 for school. So where do you stand on that?

The President. I stand on asking your support for the bill that I referred to that's before the Ways and Means Committee right now, before the Senate Finance Committee, because it does permit the deduction of interest on student loans. And I think you're absolutely right; it should be done. So, we need your help getting it passed. But we've got that in this legislation. I hope we can succeed.

The Economy

Q. Mr. President, in tough times what can Americans do by pulling their own bootstraps?

The President. Well, I think what Americans can do is what we've always done, work hard, et cetera. But I think the economy needs some assistance now, like a tax credit for the first-time homebuyer. I have proposed that, $5,000. The National Association of Home Builders tell us that that would really stimulate this economy and do it fast. So, I think what we must do in Government is to try to give incentive, but it cannot be Government make-work programs. It has to be freeing up this economy to do a better job for the citizens.

See, I'm not as discouraged as some people are. I know people have had a tough time in this State. But I've seen what we can do when we come together. I saw what we've done around the world in establishing our leadership. We're still the number one country in terms of our gross national product, by far. So, what we've got to do is jump-start this economy and then get the Government out of the way as much as possible and let this ingenuity that you're talking about come to the fore more.

So, let's not be so discouraged that we cannot see any hope out there. I know people are hurting, but you've got interest

rates at an all-time low; you've got inflation down; the economy is poised to come back. And I'm saying, give me the support I need in the Congress to get this one package passed, and then this ingenuity you're talking about really can flourish. I think you've got it in perspective.

How about this guy right over here?

Q. May I have your autograph? [*Laughter*]

The President. Come on. The answer to that question is yes. Here you go. I signed that for you.

All right, who's got—right here in the front.

Q. Thank you.

The President. You're welcome. That's a tough question. [*Laughter*]

Health Care

Q. Mr. President, can you please assure us that you will not push through a national health plan? We would like to keep health care private.

The President. I have a strong health proposal, health care plan. It's printed; it's out there. It does not nationalize health care. We've got a lot of criticism about our health care. We still have the best quality health care in the entire world, the best. Otherwise, why do people come here from other countries to get it? And you hear some of these people—somebody told them a few months ago, health care's an issue. So they'll come out trying to emulate some foreign plan.

We're not going to have that. We are going to have the kind of plan that I put forward that will keep the quality and still make health care affordable to all through insurance. And people say, "Well, poor guy doesn't have money to pay for the insurance." Then we have the voucher system, where he goes to a central location, name is on there, they have access to privately held, competitive insurance coverage. And that is the answer, not what you've asked about, this national health care plan. And you've got to take a look at the cost, too. And ours is much easier to pay for.

Now, I'm getting a signal that we have time—let's say two more. Then I've got a special treat for you. Way back here in the red shirt, yes, sir.

Congressional Term Limitations

Q. My question is very simple, Mr. President, is: Understanding we have many career politicians in Congress, how do you feel about term limitations?

The President. I am in favor of term limitations. I'm in favor of that, and if it's good enough for the President it ought to be good enough for some of these Congressmen.

All right. Yes, sir, right here.

Government Decentralization

Q. Mr. President, with the high degree of communications technology that exists today, when can we look forward to decentralizing the large, expensive Washington-based form of Government?

The President. I'm not sure. I wouldn't hold my breath on that one. [*Laughter*] I think your point is well-taken. There can be a more diffused Government, Government closer to the people through technology. Computer networks are doing that. I don't honestly see, though, that it is going to be so decentralized that one agency will be in one place and one agency in another place. With the kind of Government we have where the action of Congress is very, very important, I don't see a really diffused transfer of these departments around the country. It has certain appeal, but I don't want to be unrealistic. It ain't going to happen.

All right. Now, let me tell you, we've got a special treat here, a good friend of mine. And this man is doing an awful lot on fitness. Somebody mentions health care; one of the reasons you do it is you prevent bad health by keeping fit. And so let me introduce to you a supporter and a great friend of mine, Arnold Schwarzenegger.

Give them the fitness test.

Mr. Schwarzenegger. Thank you very much, Mr. President. Thank you.

The President. He's part of our health plan, see.

[*At this point, Mr. Schwarzenegger spoke.*]

The President. Thanks so much. I guess we're out of here. Good to see you all. Thanks for coming. Glad to see you. Thanks for taking the time.

Note: The President spoke at 1:04 p.m. at Mountain View Middle School. Arnold Schwarzenegger was Chairman of the President's Council on Physical Fitness and Sports.

Remarks at the Bush-Quayle Campaign Welcome in Derry, New Hampshire

February 15, 1992

The President. It is great to be here. Thank you all very much. And Governor, first may I thank Governor Gregg and Kathy for their leadership and terrific support. I'm just delighted to have him as the head of this campaign in New Hampshire. We're very, very lucky. And may I salute Governor Jock McKernan of Maine and his marvelous wife, Congresswoman Olympia Snowe, who are with us tonight. He's doing a great job for that State. And then from Massachusetts, our new and great Governor, Bill Weld, and Paul Cellucci, first-class job as Lieutenant Governor.

And of course, the man so well-known not just for his leadership in New Hampshire but for his leadership, sound, sensible leadership in Washington, Warren Rudman. I'm just delighted to be at his side. And may I salute Congressman Bill Zeliff and thank him for his support. And also, Mayor Dowd, the mayor of this wonderful town, he and his wife doing a superb job in the political leadership. And you met the visiting friends, those Congressmen that were with me, Congressmen Regula and Hobson and Dick Shulze from Pennsylvania. They've had to move on.

But now, first of all, thanks to the parents, the students, and the staff of Pinkerton Academy for opening the gym for tonight's event. And thanks to the Shaw Brothers for sending a little music our way. And of course, my thanks to Arnold, Arnold Schwarzenegger. You know, he and I have been out on the campaign trail before several years ago, now again today. But he's working on a new film about Congress; he calls it "The Procrastinator." [*Laughter*] You know, I might just take a tip from "Kindergarten Cop." When Congress doesn't behave, take away their recess, and let's get something done for the country.

But thanks to all of you here for coming from four corners of the State of New Hampshire to Derry on this Saturday night. And we've come here for one reason: Together we are going to win an election on Tuesday.

Audience members. Four more years! Four more years! Four more years!

The President. And in about 9 months from now, with your help, we're going to win an election in November. Make no mistake about that.

We've got much to be proud of and many challenges still ahead of us. But the remarkable changes of these last 3 years have shown without a doubt the United States of America is the undisputed leader of the world. And from the fall of the Berlin Wall to the last gasp of imperial communism, from the four decades of the cold war to the 40 days of Desert Storm, America has led the way. And America has changed the world.

And now the change and the challenge, as it has before, it's come home. And time after time, we've lifted ourselves up. And time after time, we've asked more of ourselves, more of each other. And each time, America met the challenge. And this time, America will do it again.

Next Tuesday, New Hampshire makes its choice. You take part in this State's proud tradition as first in the Nation. And you know this is serious business. You understand the importance of your vote. You go to the polls not to send a signal, not to register a protest; you go to the polls to elect the President of the United States of America.

The first order of business in our country and in this election is the economy. And