NATIONAL GOVERNORS' ASSOCIATION

1990 WINTER MEETING

FIRST PLENARY SESSION

Hyatt Regency Capitol Hill
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Yorktown Room
Washington, D. C.

Sunday, February 25, 1990
1:20 p.m.
GOVERNOR BRANSTAD: Governors and ladies and gentlemen, it is my pleasure to welcome you to the 1990 Winter Meeting of the National Governors Association. This is indeed a historic meeting. We have the biggest attendance at a National Governors Meeting at any time in the last decade. I think all but one governor of the Fifty States and Five Territories are intending to be here for this important session, and I believe that the vital issues of education and the environment are an important reason why there is so much interest among governors and among the public.

As we begin this Winter Meeting of the National Governors Association it is my pleasure to welcome three new governors to our presence.

The Honorable Lorenzo Guerrero from the Northern Mariana Islands.

(Applause.)

GOVERNOR BRANSTAD: The Honorable James J. Florio from the State of New Jersey.

(Applause.)

GOVERNOR BRANSTAD: The Honorable L. Douglas Wilder from the Commonwealth of Virginia.

(Applause.)
GOVERNOR BRANSTAD: We welcome these new governors to our midst. We look forward to building friendship with them and to have a rewarding and fruitful experience together as we work on the challenges facing our states and helping meet the challenges facing our nation.

At this time I would ask for the adoption of the rules of procedure. We have a motion for the adoption of the rules of procedure. It is so moved.

Is there a second?

VOICES: Second.

GOVERNOR BRANSTAD: It has been moved and seconded that the rules of procedure be approved. All those in favor signify by saying, aye?

(Chorus of ayes.)

GOVERNOR BRANSTAD: Those opposed say, nay?

(No response.)

GOVERNOR BRANSTAD: The rules are approved.

Our commitment to build a consensus for change in education has taken us on a significant journey in the last six months. Education goals will be addressed in today's session, and they have come out of a very thorough and thoughtful process that began with the historic education summit, which President Bush invited us all to participate in Charlottesville, Virginia back in September.

We've held discussions with America's teachers,
administrators, parents and business leaders and we've
reached out to people all across this country in every
single state of America to ask for their input and
participation in developing these historic first ever
national goals for education achievement. Each of you is to
be congratulated for your commitment to this very ambitious
agenda.

The purpose of education is very clear. To
prepare our people to compete successfully in the world
economy and for good employment opportunities, to achieve
participate in the democratic system of government, which we
cherish, and for their own personal fulfillment.

We've had a tremendous interest in education
throughout American history and, yet, our nation has changed
dramatically from the early days. Today's economy is
global. Today's processes involve tremendous technology.
Today's democracy is based more and more on instantaneous
communication provided from throughout the world via the
media to our constituents in every state and territory.

Our schools have had a difficult time adapting to
this change. In many instances the school year and the set
up in the schools is as it was when our states were founded.
We face many challenges: Too high a level of illiteracy,
too many drop outs, poor performance on key subject areas,
such as science and math, and the very quality of education
provided to our children does not meet the expectations that most of us have.

As governors we have long shared a mutual concern and responsibility for improving the performance of American students and improving the education system in our individual states, and I'm proud to say that governors have been at the forefront of the efforts to reform and improve American education. We've developed goals and those goals are ambitious. They are goals that demand excellence, and you might say, well, it's one thing to develop goals, it's much more difficult to achieve those goals and to make it a reality.

You don't have to consider for long these goals before you recognize that there is going to have to be radical change in the way education is conducted in America if we have any hope of achieving these goals by the year 2000. Even though we're talking about a decade-long commitment, remember that a decade from now people that are graduating are already well along in the grade schools of our country. As governors our next step is to develop the objectives and the strategies that will allow us to make these reforms.

We've already seen some innovative ideas that are taking effect in many places. There are discussions of lengthening the school year, empowering teachers, rewarding
performance, using more technology in the class rooms, developing student achievement goals and appropriate assessment tools of achieving those goals, as well as things like alternative certification. In fact, America does not lack for things to do. But up until now, we haven't had the national will. We haven't had the collective commitment to do something about it. A lot of work has gone on this fall and winter, centering on developing that national will and commitment.

We appreciate the effort that the President and his staff have put into it. We appreciate the effort and the time that the governors have put into it in their individual states, as well as working with out task force on education. I'm very proud of the leadership of that task force, Governors Campbell and Clinton, and all the members of that task force, and each of you that have participated in sharing with them your ideas and thoughts on the goals, on the objectives and how they can be achieved.

I would submit to you that we are building that national will. We are seeing a positive response from education leaders. We are seeing a positive response from the business community. We're seeing more and more parents saying, yes, I want to do something about it and I recognize a personal responsibility for my children's education. That I can't just leave it to the classroom teachers and to
somebody else to do it for me.

We need now to continue to build that consensus
to encourage the stake holders to be actively involved in
this ongoing process, and now we ask you to make the next
big step in passing these national goals, developing the
specific objectives to go with them. We think that the
National Governors Association working with the President of
the United States, working with education and business
leaders can be a catalyst for change and that we indeed can
in the next decade make a dramatic difference in the quality
of education that the people of this country will enjoy and
their ability to compete in the world in the 21st Century.

We have some very outstanding speakers that are
going to participate in our discussions on education goals
today. In this year, as we focus on building a consensus,
we recognize that real change in American society always
comes through building a consensus, that it is not in this
democratic system imposed from above. It has to involve the
decision makers and the people that have a stake in it.

It's very important that our society recognize
the need to assist and encourage every person to achieve
their full potential and that we can't leave the less
fortunate out, that we can't afford to have young people
from disadvantaged or minority backgrounds fall through the
cracks. They need to achieve and succeed and be part of the
American dream.

And I'm proud to say that our first speaker this evening is a business leader that recognizes that education in America needs to be truly universal. In addition to his service on many corporate boards, David Kearns devotes personal time to programs like the United Way, Junior Achievement, Rochester University and the National Urban League. He works on education issues through the Committee on Economic Development, the Business Roundtable and the President's Education Policy Advisory Committee. He's been chairman and chief executive officer of the Xerox Corporation since 1985.

And I'm very pleased to introduce Mr. David Kearns, the President of the Xerox Corporation.

(Applause.)

MR. KEARNS: Governor, thank you very much. I appreciate the gracious introduction.

I'm somewhat intimidated, not just because of speaking in front of all the governors, but some of the governors in this room have been my teachers in learning about education. I want to tell you I'm here to wear two hats: One to represent the Business Roundtable in a formal capacity and, in another, to put my own hat on before I get finished and give you some of my own thoughts about what I think we all need to be doing.
I'd like to spend first just a few minutes and talk about the Business Roundtable, the BRT, and explain how the Business Roundtable came to be involved in education and what we're doing about it.

The Business Roundtable is a group made up of 201 chief executive officers of the largest corporations in our country. It has a very small staff and it's supported and augmented by a number of task forces that are run by chief executive officers of different companies, not unlike the National Governors Association.

Last June President Bush challenged the BRT to help him fulfill his goal to be the education president. In late September we met with the President and told him of our plan to support the national goals, but also to work with the governors at the state level where we believe the main action is. Since then our task force has been hard at work.

I join you today to tell you that the Business Roundtable is committed to helping you and be supportive of your requirements and we intend to go beyond rhetoric and we intend to act. The BRT Task Force leader is John Akers, the Chairman and CEO of IBM, whom many of you know, and John Clendenon of Bell South and myself are the Vice Chairmen. We are committed to a ten-year plan. One that transcends the individual CEO's; one that will put the nation's corporate resources behind the cause of reform until the
next century.

As a first step, John Akers has asked each BRT CEO to form a partnership with a governor. I am pleased to report that such partnerships are currently being formed across the nation and 158 chief executive officers of the 201 are already signed up to cover the 50 states and the District of Columbia. I can tell you that John Akers and I will not rest until all 201 are signed up and have committed their companies over the next ten years.

We believe clearly, as you do, that it will take at least that long to institutionalize real education reform and restructuring. That is what we are talking about. We are not talking about tinkering at the margins. We are not talking about what I call our feel-good partnerships that tend to shore up an old institution that needs changing. But we are talking about fundamental reform and restructuring.

In case you are wondering, Xerox has selected to work with the District of Columbia. We have done that because I believe that the large urban centers have very special problems and that they must be solved, and we would like to participate.

The goal of the BRT is to work with you and the educators in your states to be helpful as you develop your reform agenda and we want to work, as I said, with all 50
states. This will clearly take a different structure and
different shape in each state, but the Business Roundtable
also will provide some umbrella activities. We are
currently working with the Aspen Institute to develop a day
and a half seminar, a dialogue which will bring together the
governors and the CEO's and the experts on education reform.

You will be invited to participate by one of the
CEO's who has chosen your state to work with, and I urge you
to attend. Each CEO has also designated one or more people
to provide staff support and these people will also attend
these seminars to bring them the learning curve. The
education commission for the states is working with us to
develop a handbook on coalition building and education
reform.

Although this effort is being driven by the
Business Roundtable, we are working very closely with the
Committee on Economic Development, the National Alliance for
Business and the National Chamber of Commerce, and one thing
that we believe we can provide you is increased public
awareness and, hopefully, some political clout with the
different constituencies in your state that need changing.

Now, for starters, I am here to tell you that we
are 100 percent behind your efforts on the establishment of
national goals and performance standards to back them up.
Education in this country is a $200 billion enterprise and
to invest that much resources without national consensus and
without standard and measurements is flat out wrong. We
wouldn't do it in business and you do not do it in your
states.

So, we look forward to the goals that you're
working on and, hopefully, that you will issue before this
Governors Association Meeting has concluded. I will also
make you a promise that you will get no second guessing from
the business community, the BRT. We will support your goals
100 percent. And I will make you another promise. That is,
that we are ready and anxious to roll up our sleeves and
work side-by-side with all of you to implement the goals
that you establish state-by-state.

We clearly do not have all the answers, but we do
have some and we want to work with each of you to develop
more.

Now, I am often asked why is business so caught
up in this, and the answer is deceptively simple. We cannot
compete in the world class economy without a world class
work force and we cannot have a world class work force
without a world class education system, and we do not have
that today.

I believe that the National Governors Association
and the business roundtable have a unique opportunity.
Together we must organize and lead a national crusade, not
for reform alone, but fundamental restructuring of the
system. And we must do so, because if we do not do this, I
believe that our economy will falter and if we do not do
this, I believe that no one else will. And as Clemenceau
has been often quoted about war, this is too important an
issue to leave to the educators alone.

In any great democracy education is everyone's
business. But it is of special importance to government and
business today because of the way that wealth is created in
a modern economy. It is the product of applied human
intelligence, the era of strong backs and deft hands is
behind us forever. The future belongs to the educated.

What we must do is to educate our workers before
they enter the work force. The businesses cannot afford to
do the schools' product recall work for them. The Japanese
are proud of saying that they have the best bottom half in
the world, and we have been proud over the years to say that
we have the best stop half in the world. That may have been
good enough at one time, but it is no longer acceptable.

What do youngsters in America need to know to be able to
prepare for the future. Do we need to turn our schools into
vocational training schools, and the answer is, an
authoritative, ringing, no.

Business is prepared to provide the vocational
and technical training if the workers are first educated.
Let me repeat. Business will train if the schools educate. No one needs to go to public school to learn how to fix or to build a Xerox machine. That's a cost that we are not only willing but are able to bear and should bear.

The issue is the capacity of the American workers and managers to continue to learn over their entire career. Surveys conducted by the Committee for Economic Development reveal that there is almost total agreement between all employers. The most important knowledge and skills the new employee can bring to the work place is learning to learn skills, problem solving and communications skills.

How do workers acquire such knowledge and skills? They acquire them through a broad curriculum that we have all referred to over the years as liberal arts. They are the building blocks of a knowledge based society. Business is not asking for the schools to prepare a docile and compliant work force. Quite the contrary. What we want is a work force that is curious, impatient, that knows how to think, to ask questions, to work as a team and to solve problems. The workers of the future need to both know how to think and to continue to learn. To prepare us for this future we need to begin now, and I believe that we have a historic opportunity.

The current issue of American Heritage magazine has an excellent article on the history of education reform
in this country. It points out that all previous attempts -
- all previous attempts have fallen far short of their
goals. We cannot let this happen again. And I believe that
this is our last opportunity to dramatically restructure
change and improve the public education system in our
country.

Now, I said when I started that I was going to
wear two hats. If you will indulge me for just a moment
while I put my Kearns hat on and not my BRT hat. And I
would like to talk for just a moment about a controversial
subject that I know because I have talked with some of you
that you do not agree with me on. That is the issue of
choice, because I believe that is the linchpin or the
centerpiece through real educational restructuring.

Let me say before you all jump out of your
chairs, I do not support the so-called voucher system that
moves public monies to private and parochial schools. I
know that some of you believe in that, but I believe that
the system is too fragile for that today and that we must
bolster up the public system because the country cannot
exist without a strong public education system. But, today
our schools are largely monopoly providers and they are not
subject to the pressures of the consumers, or the pressure
of the customers and the customers in the schools are the
school children.
In the case of schools, there are 15,500 public monopolies. We can them school districts. If you're smart and you're well off you can pay tuition and go to a private school or you can buy a home in another community. But it is no surprise, of course, that the poor and the disadvantaged cannot do that. Just think of it, the youngsters that need the best schooling have the least opportunity open to get it. And I believe that every person in this room, every relative of every person in this room thinks that they have the wit, the sensitivity and the intelligence to choose schools for their kids and to do it wisely. If it works well for you, I believe that it will work well for everyone. Indeed, I believe that is what democracy is all about.

One of the most interesting school districts in this country is in Spanish Harlem in New York City. It is a 100 percent choice district. There is no compulsory assignment for any child to any school. Every one chooses the school that they attend. So popular is this approach that some well-to-do white youngsters are now applying to those schools. That is not surprising to me and I don't believe it would be surprising to most business people. We could have forecast as much. Choice and markets work well in the school system. As well as they do in the private enterprise world.
Si Flagello, who was the Deputy Superintendent of that school district until recently, was asked a question of why choice works in a poverty stricken area. He gave a simple answer. Maybe a little bit smart-alecky, and he said, what's good enough for the rich is good enough for the poor.

It's interesting that talking about choice in education elicits strong feelings. Why? Because people in monopoly positions do not want to change them. Businessmen in weak moments would ask for competition to go away because it makes the provider's life easier for a short time.

Similarly, schools want the status quo. But we must all remember that no institution changes without pressure from the outside. Businesses don't do it. Do you think Xerox would have changed if it were not threatened by the Japanese about going out of business? Of course we wouldn't have, because the choices to be made are too onerous.

Politicians do not change without pressure from the voters, and certainly schools will not change without strong outside pressures, and I believe the choice will force the schools to stand and deliver. But making it a reality will not be easy. As Gorbachev is finding out, perestroika may be desirable, but it sure is painful. But I believe that it is worthwhile.
The keystone of the restructuring is to create a public market. A set of relationships in the public sector that mirror the best in the private sector. That means choice among schools for teachers, as well as students to create voluntary communities of scholarship. And the great secret of the market of choice and diversity is that markets harness individual effort and enthusiasm on both sides of the equation. Both the buyer and the seller are invested in the process.

Now, one more item. Public education must take another page from what we are learning and restructuring our businesses, and that is, that we must push decision making down to the principle and the teacher level. Let them run their class rooms and they schools and turn the districts and the district bureaucracies into support and service centers, not centers to tell the local schools what to do.

Real restructuring of this type is absolutely essential. I would urge you not to look for easy solutions because there aren't any. We must have patience, we must commitment before we get results. We must be willing to try new concepts and new strategies. We must be willing to risk failure to gain success, because our future, economic and political, depends on our citizens' education, and our economy today is linked more than ever to the education of our young people. And I believe we are standing at a cross-
roads and that all of us have an opportunity to make a real
difference, and I am positive that it will pay off huge
dividends. Remember, we are not on a crusade to save our
schools. We are on a crusade to save our nation.

There is nothing more important on the national
agenda. There is no domestic issue that is more important.
But I believe that education and the restructuring of the
education system is not just another national priority. I
believe that it is the solution and the fundamental
underpinning to the drug problem, the twin deficits problem,
the homeless and a whole series of other things, as well as
the security of our nation.

None of you need a compliment from me. But
yesterday afternoon I watched the task force under Governor
Carroll Campbell and Bill Clinton work this issue. I was
more encouraged than I had been for a long time, because in
fact we are doing more talking and doing about this subject.
But yesterday afternoon I saw a bipartisan, national effort
to really get moving with this. I commend you for it. I
commend your courage for moving ahead and I commit the
Business Roundtable to support you.

Thank you very much.

(Applause.)

GOVERNOR BRANSTAD: David Kearns, we appreciate
your very forceful message and also the decade long
commitment that you and other members of the Business
Roundtable are making to this reform of the educational
system.

Are there questions from the governors? We have
time for a few questions.

Governor Ashcroft from Missouri.

GOVERNOR ASHCROFT: Thank you very much for your
leadership in leading other corporate executives to partner
with the states. I believe the involvement of the business
community is essential.

You talk a lot about restructuring. That's a
matter of great interest. If you were to look down the
decade, at the end of the decade could you describe what you
think you might envision as the way schools would look, how
they would be functioning in the restructured school? What
would it look like?

MR. KEARNS: I'll give you a quickie.

Dennis Doyle, who wrote the book with me, Winning
the Brain Raise, he gets royalties for the book; I don't. A
lot of this is in the book, Winning the Brain Raise. But
first, I would envision by that time, and I certainly don't
want to get into the political debate about what full
funding means. But I would envision that all children by
the time they are five years old are prepared to go to
school. All educators will tell you. If we do not do that,
all the rest of the stuff we are talking about will not make any difference.

So, that is number one.

Two, I visualize schools of choice within the public system. It's not really quite a free market system. We clearly have got to have economic, racial and ethnic balance to go with this. In no way am I presenting something that I think should be some sort of a skimming process. But choice, I am positive, will work.

I really think we would have arrived at what site-based management means, and don't get fooled when you hear about some of the site-based management that's going on. Go and ask what real authorities the principals and the teachers have, having to do with curriculum, course selection, the materials that they use, and if we have national standards set up by the states, you then can do that because then we are measuring different kinds of programs but against set standards.

We clearly will have schools that do not have grades. They are outmoded and they are unnecessary. There is no reason people should go through school at the rate at which they learn, and as we set these national goals, national standards, we must have a report card to know how we are doing in those areas. We must have professional standards for teachers.
As with some of you, I have been supportive of the National Board for Professional Teaching Standards. We must be teaching values in our school, and I do not mean religion. I'm talking about the easy values of neatness and punctuality and that type of thing, but the much more profound values of democracy and civilization and integrity, loyalty and truth. When we do not teach that in the schools, we teach that values do not have importance.

I think we will still have a limited federal role, but I do believe that the leadership from the Administration can drive this process of working with the Governors. I believe that Chapter I and Head Start type programs are an appropriate federal role for the pre-school youngsters, and lastly, there is a federal role in research. I do not know how much money it should be. But we currently spend, on the federal level, about $150 billion for research and education and about $8 billion in medicine, and there are less than 100 computer scientists in the entire world currently looking at and trying to understand not only how do you put a computer in the classroom, but how to people really learn. What is the learning experience? How do people learn?

One of the things we want to make sure is that we do not copy what the Japanese do. I suspect that one of the things that will pop out is, rather than going to very large
highly disciplined lecture-type approaches, that 
experiential learning will start to come out and we will 
have very different class-room types.

   So, that's a quickie, John.

GOVERNOR BRANSTAD: Governor Roemer?

GOVERNOR ROEMER: First of all, David, I thank 
you for your presentation. I would ask you to let 
Washington, D.C. go and take Louisiana. Can you do that?

(Laughter.)

MR. KEARNS: Governor Roemer, I'm committed. I 
did learn something about loyalty in school.

(Laughter.)

GOVERNOR ROEMER: I'll ask you again later.

MR. KEARNS: And from my father.

GOVERNOR ROEMER: You said something I'd like you 
to amplify for all of our benefits. You said, and I quote: 
"Business will train if the schools will educate." Each of 
us spends a large portion of our budget on what's called 
VOTEC. Is it right? Are we headed in the right direction? 
Would you amplify what you means, "business will train if 
the schools will educate." I want to hear you on that.

MR. KEARNS: I will do this on somewhat of tender 
steps.

Three years ago, when I gave this speech at the 
Detroit Economic Club on this, which later turned into the
book and got me going down this track, one of our salesmen wrote me a letter and said, Kearns, you have foot-in-mouth disease. Don't you know that the schools are big users of our copiers and duplicators. The vocational schools are all customers of ours.

Having said that, there are some very good vocational schools. Many of the vocational schools are not good. They have been schools where we have pushed off youngsters that someone else has decided cannot learn and move along through an academic track.

I am not suggesting that all young people go to college because it is not necessary. But all young people must have that choice, whether to go to college or not, and any vocational school that is not teaching the core subjects in math, science, languages, history and civilization is not doing what they need. The reason for that is that the studies have been made that say that workers will change jobs, not companies necessarily, but will change jobs seven times in their career, which means they will have to learn it over. So, if someone came to Xerox and they knew how to fix a Xerox machine, three years later we would have to teach them how to fix it, in any event.

Now, there are some very good vocational schools around the country that in fact do both, and if a vocational school is teaching the core subjects, and vocation in
addition, then I would be supportive of it. If they are
not, do away with them and do not support them.

GOVERNOR BRANSTAD: Governor Bangerter?

GOVERNOR BANGERTER: I appreciate your
presentation and I agree with most of what you've said. I
think you clearly said that you cannot drive the reform down
from the top. That you've got to free up the system and let
the system develop the changes that are going to be
necessary to address this.

You mentioned site-based management. We've been
pushing a program we call block grant, which is to drive
that money, that same concept through the administrative
system to the individual schools. But we're getting a lot
of resistance from the education system. We also have a
business partnership that's putting a great deal of money
into the technology and of our school system.

Do you have any specific suggestions on what we
might do as governors to help move that system to accept
what I would call freeing up the system? We'll set the
objectives. We'll set the goals. How do we get the system
then to go along with us to free it up so they can then make
the changes that are necessary?

MR. KEARNS: Governor, I don't have any easy
answers.

I've been head of my company since 1982. I tried
it with speeches and pushing and we first had the outside pressure. Survival was at stake. We were literally going out of business. We were making product for what the Japanese were selling it for in the United States. So we had tremendous outside pressure to change. But even in saying that, in talking with our people, pressing them, we needed to give them the tools, the tools for change. We happen to have selected a quality process and we ended up training people. It's taken us a long time to do this. So you need tools. You need examples.

One thing that is exciting about the education thing and gives me some optimism -- not a lot, but some, is that everything that you have been talking about in your states, the things we wrote about in the book and the way I responded to Governor Ashcroft, is being done some place in this country successfully. Not like the drug problem. We don't know what to do about the drug problem. Maybe you do, but I don't. But in education the examples are there. So we need to go and find them and to show people.

Second, I would urge you to find the superintendents. There really are some that would like to change. Find the union leaders, and there are some that really do want to change, and just like I say to the business people, what's one thing you can do? I say, support the politicians and the educators that are willing
to try the new things. Give them your support, and to go at it that way.

So, I would try to find where there are some good examples and wrap your arms around those educators that want to go. But I think it's going to take an awful lot of outside pressure and, in some cases, it's going to take some legislation. It's very difficult. There's a lot of tough things that you have, but I have no easy answers because institutions are so extraordinarily difficult to change, and here's one, $200 billion of it and there's a lot of vested interest.

All of us say we like change, but no one really likes it. It's insecure.

GOVERNOR BRANSTAD: Governor Wilkinson, we're running a little behind schedule.

GOVERNOR WILKINSON: Thank you, Mr. Chairman.

One quick response to Governor Bangerter.

Get the Supreme Court to rule, as they have in Kentucky, that your entire system is unconstitutional.

GOVERNOR BANGERTER: Just like I said, we solved that one 20 years ago.

GOVERNOR WILKINSON: Mr. Kearns, I agree with almost, if not all, of everything you've said.

A question, as a follow-up to Governor Roemer and very applicable to yours, the next step beyond restructuring
of public, elementary and secondary is the recognition that
the workforce 2000, 80 percent of them are already in the
workplace, day and a substantial portion of them will either
be permanently or temporarily displaced over the next
decade.

It seems to me that those states that can
determine how to have a cost effective way to train and
retain those displaced workers with this information and
technology-driven economy that we're talking about are going
to be the ones that are going to be successful. The
question is, how do you propose that we cost share the task
of doing that, training and retaining, with the private
sector.

MR. KEARNS: Governor Wilkinson, I don't have
easy answers for this. This is what I have referred to as
the intercept problem. It's absolutely huge.

As you know, the first graders that are in school
today are the first workers of the next century. So, it's a
huge problem. The companies have got to share in this,
there is no question about it, because we are going to need
to workers because of the shortage, and we can't just get
them out of the schools.

This is where I think that some of the work may
be more specific. Don Peterson at Ford Motor Company has
been doing a lot of work at Ford on this. I think we can
set up, frankly, a lot of voluntary programs. It's very
difficult, by the way, for anything that's not voluntary to
try to force people into anything that appears to be
remedial. People have to be motivated to do that.

I believe that there is much more that we must do
in the private sector in the companies to do this ourselves.
We will be motivated to do that. I am clearly not an expert
at this. I have been doing some work in this area and I
happen to know because I've talked to Don Peterson about it,
who's got some ideas. But this is a big issue and I believe
that this is also training that we can do and I would expect
frankly that many of the community colleges might be -- the
state community college system might be on of the
interactive mechanisms for the local companies to work with
where we do a combination of training and education in
working together.

GOVERNOR BRANSTAD: A questions. Governor
Hernandez Colon from Puerto Rico will ask the last question.

GOVERNOR HERNANDEZ COLON: If I may, at this
point, I wanted to share with you an initiative that we have
taken in Puerto Rico in order to advance the achievement of
the goals that we are pursuing here.

Just six days ago in my State of the Commonwealth
address I announced the creation of an education trust fund.
The initial capital for this fund, over $1 billion, will
come form the proceeds of the sale of a government-owned asset, the Puerto Rico Telephone Company. It will be a permanent endowment where capital is never spent and will grow over time. The purpose of this fund will be established clearly in legislation and eventually by constitutional amendment in order to guarantee that the resources are never diverted to other purposes or squandered by anyone. Therein the proceeds of the fund will go first to refurbishing the schools in Puerto Rico and then permanently to innovations.

I just wanted to share the idea with the governors here because I am sure that we all have assets of this nature that in thinking of financing, we might decide to use in the way that Puerto Rico will be doing very shortly.

MR. KEARNS: Thank you.

Terry, thanks very much for the invitation, and let me just say, when I put my Kearns hat on at the end, don't forget, I came here to represent John Akers and the Business Roundtable and we really are committed and we're looking forward to working with all of you.

Thank you.

(Applause.)

GOVERNOR BRANSTAD: The governors acknowledge and appreciate the commitment made by the Business Roundtable
and this is time, talent, resources, and a commitment to
work directly with us in every state and the District of
Columbia.

As we address the important issues of education
it's critical that we recognize the important role that
professional educators will play in the teaching of our
children. Just about every one of us in this room can tell
a special story about a favorite teacher that had a dramatic
impact in our lives, somebody that motivated us, inspired us
and made us what we are today. That's usually a teacher
that had that kind of impact on the people that have gone on
to be successful in all fields. As we work to build a
consensus for changing education we recognize it is
absolutely essential to build a solid working partnership
with the leaders of education, with the professional
educators.

Dr. Ernest Boyer is by every measure a great
leader in education. That's been his life-long work. He
continues now to press harder than ever for educational
reforms and to make the goals that we're establishing a
reality. Dr. Boyer has 101 honorary degrees and
appointments, and he's been appointed by Presidents, from
Nixon to Ford to Carter, and has a long distinguished career
in education, including the U.S. Commission on Education.
He currently serves as President of the Carnegie Foundation
for the Advancement of Teaching.

We are very pleased to hear from a professor, a leader, a dynamic educator and someone who has been playing and continues to play a very key role in establishing goals for education.

Dr. Ernest Boyer, we are proud to invite you to the National Governors Association to address our session on education.

(Applause.)

DR. BOYER: Thank you, Governor Branstad.

David, nice to see you. Thank you for your presentation.

I am very honored to be invited to join you at this Winter Meeting of the Governors Association. I wish to congratulate all of you and especially the task force on national goals, led by Governor Campbell and Governor Clinton, for the superb work that you've all been doing on behalf of the nation's schools.

Years ago Jim Hunt, Lamar Alexander, Bill Clinton, Dick Riley, Tom Kane and many others actually sparked the school reform effort and for nearly a decade, in my opinion, governors have been in the lead on all the major moves. And I applaud the superb leadership that you've given.

The decade of the Eighties, in my opinion, has in
fact marked progress in school excellence. And it's my opinion, although I must confess it's more of a stomach cramp than hard evidence, but still it's my opinion that about 20 percent of the nation's schools are excellent. Indeed, I think they are perhaps the most outstanding in the world. Forty to fifty percent of our school range from good to mediocre, but many are getting better. Actually, though, education for about one-third of our children is shockingly deficient, and especially for those in urban ghettos and who live in the rural poor.

I am convinced that if we can't improve the terrifically disadvantaged schools frustration will increase, public confidence will decline and America will enter a new century with its education system greatly threatened. Just one month ago President Bush made a historic move, in my opinion, when he announced six ambitious goals for all the nation's schools. And this afternoon, in the moments that you've given me, I should like to comment on the President's agenda and suggest possible next steps to be considered.

First, the President spoke about young children and announced a national objective that by the year 2000 every child in America must start school ready to learn, as the President put it. I know that what I'm about to say is all too familiar to the governors assembled, but the harsh
fact is that problems of education and problems of poverty
cannot be disconnected, and that today nearly one out of
every four children in America is officially classified as
poor, they are undernourished, hugely disadvantaged, even
drug depressed at birth, and unless we act now, these
children will come to school not ready to learn, which is
our goal. They'll come with their potential irreversibly
diminished, and I am convinced that good education begins
with good nutrition and that, surely, by the year 1995 the
federal WIC and supplemental food programs for poor mothers
and their babies should be fully funded.

Winston Churchill said on one occasion that
putting milk into babies is the finest investment any
community can make, and it's absolutely unacceptable in
this, the richest country in the world, that any child would
be hungry or sadly undernourished.

(Appplause.)

DR. BOYER: Let's also agree that by 1992 Head
Start will be fully funded to overcome not just poor
nutrition but linguistic deprivation, too. It's one thing
to not have good food, but children also grow up in
environments where they don't even have good word models.
How do we expect them to come to school linguistically
prepared? I think it's a national disgrace that two decades
after Head Start was authorized by Congress to help
disadvantaged three- and four-year olds still only about 30 percent of those eligible are being served.

Can you imagine denying the millions of children a vaccine that would protect them from a dread disease? Yet, that's exactly what we're doing educationally when we fail to fully fund Head Start. I applaud the President for proposing a $500 million increase for this essential program, and next year, let's take the last step so that finally after 20 years all eligible children will be served.

Let me pause here to say that I remain convinced that public education in this country should be mainly funded by local communities and by states. Let me say parenthetically, for the first time in our history, however, less than 50 percent of the school funding is coming from the local tax base. But I also believe that the federal government has one essential constitutional and moral obligation to the schools and that's to promote equality of opportunity through programs such as WIC and Head Start and Chapter One.

I am suggesting that if we want all children prepared to learn we need an action plan that includes nutrition for all at risk babies and universal pre-school education, good parenting, of course, and if children do not have this foundation I am convinced it will be almost impossible fully to compensate later on.
Well, this brings me to a second set of goals.

Last month, in his State of the Union message, the President also proposed that we cut the drop out rate to 10 percent, and he pledged that by the year 2000 every school in America will be disciplined and drug free. But what's next? How do we proceed? Recently at the Carnegie Foundation we studied urban schools from New York to Los Angeles. In going from place to place I was struck by the bigness and by the bleakness of many of these institutions. I was struck by the broken test tubes and by the Bunsen Burners that wouldn't work, and above all, I was struck by the way most students moved facelessly from class to class, unconnected to adults, and I concluded that many teenagers drop out simply because no one noticed that they had in fact dropped in.

I've said before that if I had just one wish I'd break up every large junior and senior high school into units of no more than 400 students each. I'd also assign every youngster to a small family-like group of no more than 15 students to meet with a mentor at the beginning of each day to review assignments, to talk about problems and to know that someone truly cares. And, incidentally, it's my opinion that the reason the I Have A Dream Program was not the promise of tuition later on, it was the fact that someone truly cared right now.
That's what I would call restructuring at the core. Indeed I'm quite confident, and I will say it again, I am quite confident that if every at-risk student had a mentor who truly cared and knew their name, that that one act alone could cut the drop out rate in half.

Incidentally, I've talked a lot about urban schools, but the need for caring is just as acute for rural children, too. I'm also convinced that if we want to cut the drop out rate by the year 2000 we'll need afternoon enrichment programs in science and in computers and in music and athletics to keep kids learning instead of drifting on the streets.

Again, last year at the Foundation we surveyed 5,000 fifth and eight graders. We found that 40 percent of them said they go home every afternoon to an empty house and that number keeps on growing. They watch TV. They spend lots of time alone, or they just hang out in shopping malls or in the city streets where there is often crime and drugs. Frankly, I'd like to see afternoon enrichment programs from 2 to 5 o'clock in every disadvantaged school, and families who could afford it should pay for these special services. But poor parents should be given vouchers so they could select a public or private program of their choice.

Just last week while meeting with members of the school board in Rockford, Illinois they told me that several
months ago they announced an afternoon program which they
called, I think significantly, Safe Place, and it was over-
subscribed almost at once. Many families desperately wanted
their children to get in. The truth is that the schools now
stop while the parents are still at work and most of our
young teenagers are, frankly, endlessly adrift.

But I think there is a summer problem, too. When
today's school calendar was set, almost a century ago, over
90 percent of all families in America lived in farms and
children had three months off to help harvest crops. Today
less than 3 percent of the families live on farms and most
parents now work away from home.

Frankly, I think it's finally time for the United
States to start working on a year-around school calendar
with at least 200 attendance days each year so that our
kids, like those in most other industrialized countries, can
keep learning from January to December, with refresher
breaks frequently interspersed.

Here's the point. If the goal is to reduce
school drop outs and if the goal is to improve the school
climate, as the President has proposed, then I am convinced
the structure, the calendar and the clock must be
overhauled. And if we don't have smaller schools with
mentors and if we don't have afternoon enrichment programs
and if we don't have year-long learning, I'm afraid that
school failure for far too many will continue to increase and the nation's future will be threatened.

This leads to another issue that the President presented. He talked about assessment, as you recall, and the President declared that by the year 2000 our national goal should be to regularly evaluate the educational performance of our students in all of the critical subjects, is the way he put it.

Now, I think this call for national standards is absolutely right. I believe this country must have evidence that it's $180 billion investment in public education is paying off, and I have a three point strategy to suggest, if I might be so bold.

First, I think the language and mathematic proficiency of all students should be measured at great four to make sure that all children can read with comprehension, right with clarity, and accurately compute.

Second, to achieve cultural literacy I think students should be examined in science, geography, literature, and the arts at least at the eights and twelfth grade levels, using the federally-funded national assessment of educational progress.

Third, and this is, I think, the most crucial proposal that I would make regarding assessment. I believe that every high school senior, before he or she graduates

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from high school, should be asked to write a paper on a consequential topic to demonstrate their ability, not only to recall isolated facts, but to think critically, integrate ideas and focus them on an issue of true importance. If students cannot somehow show their capacity to think right and to integrate ideas. We should close the doors and start again.

Incidentally, I also do think that every state should participate in the NAPE assessment program so that we can have for the first time in our history national profiles, as well as state-by-state comparisons of the academic performance of our students.

Let me just say as a footnote, there is another side to this issue of assessments. I think many of our instruments are very crude, to put it bluntly. We sometime measure that which matters least, and we're testing sometimes too much and too little. Between now and the year 1995, speaking to David's point of R&D, I'd like to see a major R&D project on assessment in which master teachers and research scholars would come together and begin to design a new generation of assessment instruments that would go beyond the grab bag of test we use today that are commercially produced, and I think we should focus not just on the verbal skills of students, but we should focus on the esthetics and the intuitive and social intelligence, too,
because these are survival skills out in what we like to call the real world.

Checker Finn, distinguished Chairman of the National Assessment Board, estimates that to retool our testing program would cost perhaps $100 million. That's a lot of money. But if we can invest billions in new weapons systems every year, why can't we invest modest funds to better evaluate the potential of our children. I think nothing is more crucial.

(Applause.)

DR. BOYER: Thus far I've talked about evaluating students. But I do think that beyond national goals, every state should have its own precise standards to evaluate the performance of every school, and if a school fails to measure up, I also believe, and some of you have this, of course, that every state has the legal and moral obligation to intervene. I think it should be a matter of law that the intervention should be made in the event of school about two or three years did not establish and fulfill standards, and I think we could use remedies which would range from sending in consultants to dismissal of the principal, to replacing the school board, to perhaps even giving the school more money, to even closing down the place.

I can only put it to you this way. If snow or garbage piles up on city streets or there is a health
epidemic an emergency is declared and there is action. Yet, I find it appalling that year after year after year we have schools where half the children drop out and somehow we assume we can just blame it on the system. I believe we should assess careful our students, but I believe that every state should assess the schools, as well, and if they fail, an intervention program is required.

This leads me to say a word about the teachers. I was delighted that in the introduction you really undercut this point because you said so many nice things about teachers. But I'll plow on anyway. I can't change my text at this point.

(Laughter.)

DR. BOYER: What I was about to say is that with all the talk about national goals we hardly talk about the teachers. Yet, good teaching is the key to everything we have. Consider math and science. You recall that the present said that by the year 2000 we would be first in the world in math and science. At the current time we're next to last among industrialized countries. And I can only say, do we really think we can move from last to first without top-flight teachers in the classroom who have majored, or at least strongly minored, in math and science? It's just an impossible job to do.

It's for this reason that I'd like to make a
rather brash proposal. I suggest that in addition to six essential goals that the President proposed, all of which I think should be applauded, I suggest we add a seventh. Specifically, could we agree that by the year 2000 we will have well-prepared and dedicated teachers in every classroom in this country, since if we fail here nothing else will matter. But I do believe for this essential goal to be accomplished we're going to have a system of peer evaluation of all teachers, and also by the year 2000, I'd like to see a career-ladder program in every state so that master teachers can be rewarded for their word and poor teachers can be tutored or removed.

Now, I know how controversial this is, and I know that hardly any state has been successful in implementing an arrangement for teachers to move ahead in the profession, instead of moving out. But I also say that for the sake of our children we simply cannot tolerate incompetence in the classroom and teachers, above all others, should demonstrate high standards to themselves and should see to it that these standards are vigorously enforced.

But frankly, I also think we need to change the working conditions of the teachers. The truth is that we're asking them to do what the families and communities and churches haven't been able to accomplish. I also believe that most school critics couldn't survive one month in the
classrooms they condemn. We're giving teachers more responsibility, but they're becoming less and less empowered, and I really do believe it is time to turn the government's structure in public education upside down, as David has so eloquently suggested. It's time for every state to have high standards for its school.

But then within this framework, I think principals and teachers should be given huge amounts of freedom to manage instructional programs and be held accountable for outcomes, not procedures.

Let me stress again, I don't like school-based management without also having school-based accountability as well. Schools are not there to do their own thing. They are to be free to meet the goals that have been clearly defined before them. And frankly, if we expect to have good teachers in the year 2000 in all classes, I think we perhaps need a national campaign to start recruiting now the brightest and the best.

Let's give full tuition scholarships to all students in the top 20 percent of the high school if they agree to teach. Let's have an alternative credentialing arrangement in every states so you can attract people mid-career, or even bring in those who have retired and would like to go back and help the next generation.

And I have a suggestion for the corporations.
Why don't you, David, when you recruit the top math and
science people and you're, after all, grabbing off the top,
why don't you tell them that we're going to have a differed
entry program, and if you go out and teach for several years
we'll give you bonuses when you come back to Xerox several
years from now.

Incidentally, I think parents can recruit
teachers by suggesting to their children they should become
a teacher. I remember speaking of the influence of great
teachers, Governor. I remember one teacher who audaciously
said, if you keep studying, Ernest, you might be good enough
to be a teacher. The biggest academic accolade I ever had.
But the very fact that she planted that idea turned my head
around, probably to the peril of the profession.

In any event, I have a final thought on this. If
we were to decide that we're going to launch a ten-year
crusade to recruit the brightest and the best, perhaps the
President or perhaps the governors could name a blue ribbon
commission comprised of master teachers and governors and
corporate CEO's to monitor this process and to lead the
decade long crusade to attract into teaching our most gifted
students, which, frankly, is the only way any of the goals
that we've mentioned will be accomplished.

Now, I don't want to get carried away this
afternoon, but would it be possible -- I mean, would it be
possible for us in the next ten years to put as much energy in recruiting first-rate teachers as we put into recruiting linebackers for the LA Rams or any other pro team, for that matter. I mean, where precisely are the priorities of this country, for goodness sake.

We celebrate great heros on the athletic field. How long has it been since we have celebrated the unsung heroes in the classroom. Everyone knows that 30 years ago John Kennedy inspired the nation's youth to serve in the Peace Corps overseas. Why can't we challenge this generation to serve in urban schools and in rural districts here at home.

And now, I like to make one final observation. Frankly, the longer it goes -- and this is perhaps going to appear off the assignment that I've been given this afternoon, but I'll march ahead nonetheless. Frankly, the longer it goes, the more I'm beginning to suspect that the family is a more imperiled institution than the schools and that if we hope to have excellence of education, parent simply must become more actively involved in the education of their own children. Schools simply cannot do it all alone.

Several years ago at the Carnegie Foundation we gathered some disturbing evidence that simply reinforced this conviction. We surveyed 22,000 teachers -- I think it
was the largest teacher survey ever conducted in this nation -- and 90 percent of them said lack of parental support is a problem at their school, 89 percent said they often see abused and neglected children, and over half the teachers said that malnutrition among their children is a problem.

Then, at the end of the survey, we made a great mistake because we had an open-ended question and we said, if there anything else you'd like to tell us about your work and we made the biggest mistake by saying, and if you write it, we'll read it. What happened was that half of the teachers -- 11,000 -- took time to write their comments, and I did get one of my colleagues with a little extra inducement to go off for several weeks and read every single one. She came back absolutely shaken and said, I just think I've seen the future of America, and she also said, I think teachers perhaps know more about what's happening to children than anybody in the country because they're with them more than anyone else.

So, she gave me hundreds of these comments to read. I'd just like to read to you two this afternoon. Just three or four sentences is all. A junior high teacher in Minnesota wrote, "the difficult part of teaching is not the academics. The difficult part," she said, "is dealing with the huge number of children who come from emotionally and socially stressed homes." And a third grade teacher in
rural Maine said, "sometimes I feel I should just throw out
the history book and try to help my students who are really
hurting." And then she asks, I think, the rhetorical
question that everyone who cares about schooling must
confront. She says, "what's the future of our country when
we have so many needy children."

Well, what's happening, as I observe it, is that
schools are not only trying to improve the academics so they
can look good on the final tests that we impose, but below
the surface there's another revolution. Schools are
becoming, to put it bluntly, social service centers, and all
of you know that you're adding programs in teenage
pregnancy, drug abuse, suicide prevention and even day care
service. And I'm intrigued that we're sure schools don't
work very well, whenever this country faces a huge crisis we
ask the schools to fix it. It's the only show in town.

And just about, what was it, a year ago, I saw
the extreme extension of this trend. I visited a school in
an urban area in which they bussed the children in at 7 in
the morning, they take them home at 6:30 in the evening,
they serve them three meals, and to put it as bluntly as I
can, the school has become the surrogate parent for these
children.

Now, it's obvious that with changing family
patterns schools I think must do more than simply teach the
basics. We are in, in the end, concerned with children.
But I also think it's obvious that schools simply cannot do
it all, and I am less and less inclined to be an advocate of
the school as a social service center if it means disengaging
the parents and letting other social institutions
uninvolved.

So, I'm beginning to suspect -- and this is
probably another idea that won't fly, but it seems to be
that by the year 2000 we may need in every community not
just a school board but also a children's board, or at least
some coordinating agency that can bring the services
together, keep kids from falling through the cracks, but not
pretend the school teachers and school principals can do it
all alone. I do come back, though, at the end to say that I
think parents are the key.

And I have another brash proposal right here at
the end. I suggest that we might want to add one final goal
-- that gets me up to eight -- to the President's of six
that I've just mentioned. Specifically, could we agree that
as eight objective during the decade of the Nineties all
parents would be expected to become full partners in the
education of their children. After all, if these are
national goals we're talking about, I think every one should
get involved, especially the parents.

That means turning off TV, it means reading aloud
to young children, it means checking homework, it means
going to school conferences, and by the way, David, I also
wonder would it be imagined that the corporations in this
country would agree, as a part of their labor personnel
package, to give all parents several days off each year with
pay with the understanding that they would go to school and
engage in parent conferences because the employer is not a
passive observer. As I look at it, the work place is an
active partner in whether families are going to be brought
together. So, the family policy in the work place becomes
part of the solution, too.

While I realize that almost everything I've
talked about this afternoon, from early invention to parent
education, is already going on somewhere in the states
represented here at this impressive table, the problem, as I
see it, that thus far the reform effort has been more
piecemeal than coherent. But I must tell you I see us
moving in this country from a commitment to local schools to
a concern about national results, and we've wanted it both
ways. Now, how we strike a balance between local control
and national results, it seems to me, will shape the future
of this country for decades yet to come. And I think the
challenge now is to develop a national agenda for school
renewal, while retaining leadership at the state and local
level. That's a new challenge. That's something this
country has never shaped before, and I've been wondering about how to give guidance to this effort.

And as one approach, it seems to me, that the President and the governors and Congress might wish to appoint a prestigious non-governmental council to shape during the next decade a national strategy for school reform that goes beyond the goals and could report annually on the nation's education health, just like the Council of Economic Advisors reports annually on the nation's fiscal health.

And I do believe that if we can work out an effective partnership between Washington and the states, I believe American can begin a new century with an education system unmatched by any in the world.

Thank you very much. Again, I'd like to congratulate the governors assembled here for being so energetically and visionarially involved in pushing for better schools for all our children.

Thank you very much.

(Appause.)

GOVERNOR BRANSTAD: We're going to take just a few questions. Governor Carruthers is going to ask the first question. I'd like to ask you to keep the questions and the answers as short as possible because we are running behind schedule.
GOVERNOR CARRUTHERS: Thank you, Governor.
Thank you, Dr. Boyer for very insightful comments
on public education.

You addressed the issue of assessment and you
focused your attention on the assessment of learning. But
it seems to me that we need to work just as hard at
assessing teaching. It seems to me they're both in the
classroom. And you mentioned assessment of schools, and,
yes, assessment of schools is some combination of the
assessment of learning and of teaching.

Point number one. I think we need to do a better
job of assessing teaching than we've done and teachers have
been resistant to that in the past.

The second comment on teachers and recruiting
people to become teachers -- I have always had a bit of a
problem and I would like for you to respond to it -- that
our colleges of education have over the years taken to
requiring 120 credits of how to teach and 20 credits of what
to teach, and it seems to me, that if restructuring is to be
helpful in this country that some of that restructuring has
to occur with colleges of education and how it is that we
teach our teachers to teach.

Could you respond to those?

DR. BOYER: The first point I agree, absolutely,
and I did mention perhaps too fleetingly that we have to
strengthen the quality of teaching. We have to have regular means of assessing teaching in the classroom. That's absolutely, it seems to me, a centerpiece of this. That's why I think the career ladder builds into it the notion of deciding who the good ones are, getting them a chance to be professionally advanced, but also it means you're judging those who are not performing well.

So, I would say assessing students and their achievements, sure; assessing schools in terms of their performance against state-wide standards, absolutely; but assessing the performance of teachers and making sure that there are no incompetent teachers in the classroom. That seems to me to be a simple goals, as hard as it is to accomplish. I've said sometimes that poor teachers are worse, more dangerous than a poor surgeon because a surgeon hurts only one person at a time; teachers do it in bundles.

Now, on the other point you mentioned -- I forgot the other points. Oh, the teacher education. I was so caught up in the surgeons.

I agree that teacher education needs reform. Most of the schools of education require maybe 30 or 40 units of teaching in the total baccalaureate experience. On the other hand, it is for that reason that I think we need alternate certification arrangements so you can come into teaching directly from a baccalaureate degree and
demonstrate your proficiency in a classroom.

I've always thought the best teacher certification arrangement was to have a baccalaureate degree with a major in a special field and a minor in a special field and a fifth year apprenticeship, working with a teacher in the classroom on a clinical experience. You're gaining your experience by working with a master teacher. Incidentally, we had a career ladder. The master teachers would have as one of their functions acting as mentors to beginning teachers.

I would think that's the road to go, looking down the road to teacher ed reform.

Yes, please, Governor?

GOVERNOR GOLDSCHMIDT: Terry, if you had somebody else, go ahead, please.

GOVERNOR BRANSTAD: I'm sorry. Governor Waihee from Hawaii.

GOVERNOR WAIHEE: Dr. Boyer, thank you very much for your excellent comments. I was especially interested in the relationship between your comments on parent involvement and parenting and the enrichment program.

One of the things Hawaii has just done, by the way, is instituted a policy that gives state workers paid time off to have teacher conferences and participate in the education of their children. That, by the way, did not
resolve this controversy.

We've also launched what I believe to be the country's first state-supported state-wide school enrichment program which runs two-and-a-half hours every day after school for grades K through 12. I would be very interested in your comments as to how we can structure such an enrichment program because it is in the pilot stage to receive maximum benefits from such a program, and perhaps more specifically, how do you have such a program, which I think we need, and still avoid the trap of becoming surrogate parents.

DR. BOYER: Let me say that there are many at this table who have in their states parent programs, starting even with young infants. One of the connections that's occurring is schools are taking responsibilities to reach out to families and engage in parenting programs long before children come to school, just as a footnote, regarding what you're doing there.

It seems to me the afternoon enrichment programs offer wonderfully delicious opportunities for schools to set up and elective system and also an opportunity for older community people to come in as special teachers, and, frankly, for older students to teach younger students.

I am absolutely amazed at the fact that students can go through 12, 16, even 40 years of schooling and not
engage as mentors to younger students. And it seems to me that every year a student's studies they should assume some responsibility to engage in tutoring younger children. One possibility is to have your assets -- you say it's K through 12?

GOVERNOR WAIHEE: K through 6.

DR. BOYER: One possibility is to have high school students come in and work with younger children and engage them in service projects, because many of them are drifting in the street. But if they were to become mentors to the young -- what about if they were to become mentors to the young? How about grandparents coming in and engaging in what is sometimes called a Grand-teacher Program.

The point is, the afternoon sessions give you great opportunity and flexibility to teach many things that the curriculum may not have. Make it elective and engage many varieties of individuals who can work with younger children. It could be an exciting model of a school for the future, as a matter of fact.

GOVERNOR BRANSTAD: Governor Goldschmidt?

GOVERNOR GOLDSCHMIDT: Mr. Boyer, this is an observation. I try to read the reams of paper that every interest group in the nation has been sending us governors ever since my colleagues here launched this thing before I was elected and have carried it through today.
I am literally stunned by how little is said about treating principals. I've never been in a building where there is a lot of great teaching and there is a mediocre principal. We're moving people into these management jobs who never were meant to be managers. We're moving people out of teaching because they want to get more money, not because they want to manage buildings. We've got them in collective bargaining issues. We've got them in all kinds of stuff.

I can say in my state the universities are making a pre-text of training these people to lead education. But as a practical matter, the issues you raised about research, the issue you raised about lateral entry, this is the point of maximum power for our school boards. If we want to change school buildings, site based issued obviously are irrelevant. But who is going to lead this building?

I guess I would just say to the national leadership, anything you can produce on good examples, because I think you made the point -- I think Mr. Kearns did -- there is something good happening almost every place. This subject I think admits to more potential faster, I think, than the whole question of changing the way we train teachers because we're talking about the most conservative institution in society. The university has to be gotten to help us do this.
I guess it's partly a question; partly a comment.

GOVERNOR BRANSTAD: A great comment.

As you know, Governor, all the data show when you try to get down to the issue of what makes an effective school, every finding for decades has said, you have, among other things, a great principal there. I happen to believe that leaders matter. They can shape their institution, and as we see now, they can even shape the world.

I think what you might consider is finding money from corporations -- and now we're back to the public-private partnership. I think the corporations have a lot of interest in personnel. They know that. That's where they demonstrated their capacity to lead. That is, invest in the right people.

Why don't we have a public-private corporation to set up school leadership institutes in every state in which we would attract outstanding people and give them summer seminars on the issue of effective leadership, not just management, but creative educational thinking, as well. That would perhaps be the centerpiece of school reform more than anything you could do by getting their ideas because in the end, you know, as someone said, you don't dictate from the top. Institutions are only what we think in our heads.

You need leaders at the school level who can
cause teachers to think the right things and help parents think the right things because they have the right words and the right vision. That I think could come by state-wide leadership institutes. Some of you already have this. But I think that should become universal. And I don't see why corporations might not help to underwrite these leadership institutes for the year 2000.

GOVERNOR BRANSTAD: I know we have a number of governors who would like to ask questions, but we are running behind schedule.

I guess I say, is there anybody who feels it's essential that they ask a question, or can we move to the task force report?

GOVERNOR ROEMER: It's only essential if you want to learn something.

GOVERNOR BRANSTAD: I know we all want to learn something. I know we've got a number of other governors that have requested, too. I just ask you to make this really quick, and this will be the last question.

Governor Roemer.

GOVERNOR ROEMER: The question about literacy, Ernest -- and I appreciate your comments. Wouldn't it be an opportunity -- you made the most interesting statement of the day. You said, "the family is a more imperiled institution than the school."
If we lead a dubious distinction the industrialized world in the rate of illiteracy, wouldn't it be time to put parents and students together in some literacy effort? One teaching the other and teaching both simultaneously. Is there any hope for doing that? Is there any example that we can use for that?

DR. BOYER: Sure. The answer to your question is that would be a brilliant and I think unbeatable combination.

To some degree, Head Start has done that only secondarily, in that, as you know, one of the criteria for Head Start is parents have to stand by. Very often they do learn as they try to teach their children.

I can't recall the details. Some of you may have seen it. But there was a spot on CBS about four months ago in which they features a program. I think it was in one of the states -- your's or adjoining it -- in which they had created a parent-child partnership, and it was an absolutely poignant cameo. Mothers beginning to read their first books to their little three-and-four-years olds. I'll tell you, that suggested to me something about the connectedness.

Was it your state, Governor Mabus? It featured a programmer. That was absolutely essential strategy. Wouldn't it be wonderful -- I'm going to talk about adult illiteracy up here and talk about children's illiteracy down
here. If you could somehow bring those two together so that parents were in fact teachers. That's a great way to learn, incidentally, to try to teach someone else.

So that combination of adult and children's literacy would I think be a superb combination and area I think of creative leadership for the future because in the end I would have one test. If children become proficient in the use of language they have the key for all future learnings, since language is not another subject. It's the means by which all other subjects are pursued.

If we could get language proficiency right, especially in the early grades when children have the best potential, I think we cut the drop out rate and prepare them for the coming centuries so they can be both economically and civically proficient.

Thank you.

(Applause.)

GOVERNOR BRANSTAD: Dr. Boyer and David Kearns, thank you both for your very insightful comments and for responding to the questions.

I want to commend our Governors' Task Force on Education for their outstanding leadership in this area and especially our co-chairs, Governors Campbell and Clinton, who put in long hours, late into the night, in Charlottesville. Many trips back and forth to Washington
since that time, meetings with educators, business leaders, many meetings with the White House and really working to make this truly a national bipartisan consensus to address this very challenging issue of education which is essential for our ability to compete and succeed in the world.

Yesterday the task force met and sent its recommendations on to the Executive Committee, which met earlier today, and approved those recommendations with some minor amendments. The personal attention and commitment of the task force is something that pleased me a great deal and I think we can all be very proud of it.

I know that each of you in your individual states have also provided tremendous leadership. Many of you have been involved in this for many years. We have just in the last six months had meetings in all of the states. Outreach meetings, some of them state-wide meetings, others regional meetings. It has been I think a very exciting time to be part of the beginning of this process, to develop for the first time national education goals.

All of you were sent, on February 9, the proposed goals. Those goals, with some minor amendments that were approved by the task force yesterday, are now prepared to come before your. However, I've said from the very beginning this is a consensus process and I don't want to take them out unless we have the consent of all the
governors to discuss and, hopefully, approve them this 
afternoon.

It would be my intention to ask for unanimous 
consent, first of all, to take up the goals, and then also 
to take up the resolution that has also been approved by the 
Executive Committee -- by the Task Force and the Executive 
Committee for implementation of the education goals. So, 
we've the goals, we've got a resolution on that and it's 
also my understanding that Governor Celeste has a further 
request.

I will recognize the Governor from Ohio, Governor 
Celeste.

GOVERNOR CELESTE: Thank you very much, Mr. 
Chairman.

I think that it might be appropriate if we take 
up the national education goals and the resolution of 
dissemination of the goals if we take up the third 
resolution that was considered by the Executive Committee, 
also in this session approved by the Executive Committee, 
that goes to the budget language that we have and explicitly 
tries to relate the peace dividend and education investment 
as an appropriate companion peace to this very important 
work we are doing.

GOVERNOR BRANSTAD: I would wholeheartedly agree 
with your suggestion that we also take that up by unanimous
consent. I would ask at this time if anybody objects to
taking all three up, to taking up first the education goals,
then the education resolution, and the peace dividend
resolution, all of which have been approved by the Executive
committee.

GOVERNOR CARRUTHERS: Mr. Chairman, we don't
appear to have a copy of the third resolution. Can that we
distributed?

GOVERNOR BRANSTAD: I guess it's being
distributed at this time. If there are no objections, I
would recognize the Co-Chairman of the Education of the Task
Force, Governor Clinton, for opening remarks.

GOVERNOR CLINTON: Thank you very much, Mr.
Chairman. I want to formally move the adoption of the
statement on national education goals.

GOVERNOR BRANSTAD: Is there a second?
GOVERNOR CAMPBELL: Second.

GOVERNOR BRANSTAD: There's a second from
Governor Campbell, the Co-Chairman.

GOVERNOR CLINTON: Mr. Chairman, is this subject
to amendment?

GOVERNOR BRANSTAD: It is subject to amendment by
the normal rules of the NGA. Yes, that's correct.

Governor Clinton, you have the floor.

GOVERNOR CLINTON: I want to ask all of you to,
first, please review this document. We have included in
large type any amendments which were adopted either
yesterday by the Education Task Force or today by the
Executive Committee. Those are the amendments in large
type. The rest of the document is as you received it about
a week ago.

The amendments, I believe, are fairly self-
explanatory, but I would be happy to answer any questions on
them, or Governor Campbell would, if you have any.

Let me basically say that this document, as
amended, to the best of my knowledge and I think Governor
Campbell is in agreement, still reflects a joint commitment
between the governors that we've adopted here today and the
President. This is the beginning of the process, not the
end. But I don't think you should minimize the potential
enormous importance of our adopting these national
performance goals, the objectives under them, and equally
important, the commitment that follows to fundamentally
changing the education system and then holding ourselves and
all the other actors in the education system accountable
through a much better, more accurate, more comprehensive
system of assessment and reporting.

The only other point I would like to make is that
we have not resolved, obviously, all the issues that we need
to resolve. The amendment at the very end on how we will
report these, our progress in meeting these goals to the American people, and how we will involve a broad, bipartisan group reflects as much of what we could not agree with the White House on as what we did agree on.

But that's not the end of the world. We have a lot of work still to be done, and I think the document is in good shape. I want to applaud Governor Campbell and the other members of the Education Task Force and all of you and the staff people who worked so hard on this and what was really a rather remarkably short time from the Education Summit to the present moment.

One last thing. All the reporter have asked me whether I thought these were realistic goals or not and whether we could achieve them. I have tried to answer without exception, yes and no. Yes, I believe we can achieve them; no, I do not believe we will achieve them unless we dramatically change our behavior and the behavior of everybody else that's involved in this.

Dr. Boyer and Mr. Kearns gave you some examples of some of the specific things we will have to do in order to achieve these goals, but there's nothing intrinsic in human nature or the nature of the American people which will preclude us from achieving them if we're prepared to exert ourselves, and I hope when you vote today, if you vote for it, you will allow the public back home and the press here
in this room to interpret your vote as a personal commitment
to change.

Thank you very much.

GOVERNOR BRANSTAD: Governor Campbell.

GOVERNOR CAMPBELL: Thank you, Mr. Chairman.

First, I want to say to my colleague, Bill

Clinton, it was a pleasure to work with you all the way
through this. Bill has done a tremendous job. And to the
rest of you I'd like to say that only am I proud to be a
partner in bringing these goals to us today, I think that we
fulfill the pledge that we made in Charlottesville. I
believe they map a bold vision of education for this
country, a vision that's going to challenge every citizen to
seek some fundamental changes in our education system.

I think that's the important thing. Our aim is
excellence in education; our motivation is our need to be
able to compete in the global economy. But equally
important are the quality of life issues that we talked
about. We have an emphasis on education as a community
enterprise and a life-long effort. We recognize that
American national education goals must provide flexibility
for the states and the localities.

Public education, as was noted just a moment ago
by Dr. Boyer, has largely been a state and local concern.

That's as it should be. We do have the first responsibility
to improve our own schools and we can't expect anyone else
do it for us. But in closing I'd just like to share just a
little story with you that kind of brought this thing home
to me better than anything else when I was working on the
education goals.

Our state underwent a tremendously traumatic
experience when Hurricane Hugo hooked over South Carolina.
I know they did in Puerto Rico and in the Virgin Islands.
The morning after that particular hurricane came through I
was on a helicopter and I was flying along the coast and we
flew over a small town called McClellanville. We thought it
had been evacuated. We were surprised to see a man standing
out on the cover to a porch of a school waving a red sweater
at us.

We landed the helicopter and we had to land in a
field that was flooded and waded up to the school. Found
out there were 52 men, women and children inside that
school. They had taken refuge in the school against the
hurricane. But when the surge tide came it flooded the
school and the parents got up on tables and held their
children up over their heads to keep them from drowning.
Somehow or another, that has something to do with what we
are doing. The parents were willing to sacrifice everything
for those children and they found their refuge in the
school.
Ladies and gentlemen, I honestly believe that the effort that we are focusing on today leads us to the same conclusion and should lead us to that conclusion as a nation that we do need to sacrifice for the children of this country if we're going to be the great nation that we know that we should be. So, I want to thank all of you for the privilege of working on this. I want to tell you how much it's meant to me and how much I am privileged to have worked with my co-chairman and say -- thank all of you and urge you to support these goals.

GOVERNOR BRANSTAD: Governor Clinton has moved and Governor Campbell has seconded the national education goals. Are you prepared to vote?

Governor Bellmon?

GOVERNOR BELLMON: Mr. Chairman, it seems to me that in goal one we should add another objective. We seem to have missed a very large segment of our schools. I'd like to suggest some language along this line, that students with disabilities receive special education services needed to enable them to develop their full potential.

I don't see any language in here that deals with the children with disabilities. The reference to disadvantaged would seem to be to low-income children.

GOVERNOR BRANSTAD: Governor Campbell, do you want to respond to that?
GOVERNOR CAMPBELL: You're talking about --

GOVERNOR BELLMON: Children with disabilities.

GOVERNOR CAMPBELL: And you're speaking to that in lieu of the section that says "by insuring access to quality educational programs for all students, regardless of race, national origin, sex or handicapping condition, that federal funds should target those students." This is in the plan on page 8, which is a part of it and it was referenced in another section specifically on the school year. If you go back to page 8, it's italicized.

GOVERNOR BRANSTAD: Which means it was added by amendment yesterday.

GOVERNOR BELLMON: It seems to me that it belongs as one of our objectives.

GOVERNOR CAMPBELL: The term is more spell out. Objectives says, "all disadvantaged children to high-quality and developmentally appropriate pre-school programs." Is that the one you're speaking of?

GOVERNOR BELLMON: Right.

But the disadvantaged term would seem to refer to financially disadvantaged.

GOVERNOR CAMPBELL: We tried to go back into this because that was one of the discussions, was what exactly were you talking about by "insuring access to quality programs for all students" and then it goes on through that,
on number 8, "including or handicapping conditions." I have no objection to adding the term "developmentally disabled." That doesn't bother me at all. to do it, but we did try to address it.

Perhaps Bill Clinton would like to speak to that item, also.

GOVERNOR CLINTON: I basically agree with you.

(Laughter.)

GOVERNOR BELLMON: Mr. Chairman, the reference on page 8 is limited to the federal government sustaining it's role. I think the states have a role in taking care of the needs of people with disabilities as well.

GOVERNOR BRANSTAD: You're proposing an amendment, then, to the first goal, is that right?

GOVERNOR BELLMON: I'm proposing to add a fourth objective.

GOVERNOR BRANSTAD: Under the first goal?

GOVERNOR BELLMON: Right.

GOVERNOR BRANSTAD: Do you have that amendment in writing?

GOVERNOR BELLMON: Yes, I have it in writing.

GOVERNOR BRANSTAD: Has it been distributed?

GOVERNOR BRANSTAD: It has not.

GOVERNOR CLINTON: Has Governor Bellmon read it?

Did he read it in toto?
GOVERNOR BRANSTAD: Would you read the amendment and then have it distributed after you've read it.

GOVERNOR BELLMON: The language would be, "students with disabilities will receive special education services needed to enable them to develop their full potential."

GOVERNOR BRANSTAD: That would go as an additional objective under goal 1.

GOVERNOR BELLMON: Right.

GOVERNOR BRANSTAD: Have copies of that been made, yet?

GOVERNOR BELLMON: We don't have copies. Governor, would you read it again?

GOVERNOR BRANSTAD: It's a pretty straightforward and understandable amendment. If there are no objections we can take up the amendment. I'll ask Governor Bellmon to read it one more time so that we are sure that everybody understands what is being proposed, then we will take up the amendment.

GOVERNOR BELLMON: This would be intended as a fourth objective under goal 1. The language would be, "students with disabilities will receive special education services needed to enable them to develop their full potential."

GOVERNOR BRANSTAD: Is there a second to that?
Governor Clinton?

GOVERNOR CLINTON: Governor Branstad, I have been consulting with the people around me here, and let me just make a suggestion and see if Governor Bellmon will entertain it.

There is, as you know, now federal legislation dealing with the treatment and provision of services for disadvantaged or disabled pre-school children. Perhaps what we ought to do is just to say that all disadvantaged and disabled children will have access to high-quality and developmentally appropriate programs to help prepare children for school.

He's absolutely right. The states do have some independent responsibility. But there is also a federal law on this very subject now, and I think that maybe the simpler, more direct way, if it does the same thing that he wants to do, it would be easier for us to just integrate it into the document and we could process it quicker if we said all disadvantaged and disabled children would have access to high-quality and developmentally appropriate pre-school programs that held prepare children for school.

GOVERNOR BRANSTAD: Would Governor Bellmon accept that as a friendly substitute amendment?

GOVERNOR BELLMON: The problem with that is, Mr. Chairman, it's help is limited to helping prepare children...
for school. Disadvantaged children need help all the way through school.

GOVERNOR BRANSTAD: But this particular goal deals with that all children in American will be ready to start school. So this objective is part of a goal which is directed towards having children ready to begin school. As Governor Campbell pointed out, this issue is also addressed in another goal on page 8. But I think your concern was that the states have some responsibility here, as well as the federal government, as well.

Is that okay?

GOVERNOR BELLMON: Yes, that will be fine.

GOVERNOR BRANSTAD: Is there a second to this substitute amendment?

VOICE: Second.

GOVERNOR BRANSTAD: We have a second.

The substitute amendment is very straightforward. It would be in this first objective. All disadvantaged and disabled children will have access to high-quality and developmentally appropriate pre-school programs that will help prepare children for school.

All in favor, signify by saying, aye?

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)
GOVERNOR BRANSTAD: It is approved.

If there are no further amendments, we will proceed to a vote.

All those in favor, signify by saying, aye?

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)

GOVERNOR BRANSTAD: The goals have been approved.

I will now recognize Governor Clinton for the resolution supporting these goals that we've just adopted.

GOVERNOR CLINTON: Mr. Chairman, I move the adoption of Governor Castle's resolution for dissemination and support of the goals that should be before you.

VOICE: Second that motion, Mr. Chairman.

GOVERNOR BRANSTAD: We have a motion and a second.

I would recognize Governor Castle to address this resolution which he proposed in the Education Task Force.

Governor Castle?

GOVERNOR CASTLE: Thank you very much, Mr. Chairman.

I think the resolution is fairly self-explanatory. I've already spoken to this, so some of you have already heard this before. But I feel it is very, very important that we adopt these goals. I think the Committee
does deserve great congratulations for getting us to that position.

Bill Clinton said we should interpret our vote as a personal commitment. I also believe that we need to make a personal commitment well beyond this. I don't believe that the mere adoption of these goals by the President of this country or by the President and the governors of this country is going to change education as dramatically as we would like to. I think it is only going to happen if we now carry the word out, and we have been doing that. Like all of you, I've had hearings around my state. I have written reports. I think every governor here has been doing that in the course of last year and trying very hard.

Now that we have these new goals we need to make sure that every educator, parent, business person and anybody interested in education is aware of what the goals are and what we are trying to achieve in this country by the changes that are here.

I think we also have to make everybody aware of why it is important to make changes. I'm not sure that even a lot of the educators truly understand that change must come, and there are important reasons why there must be change. If it's going to be sold -- I think it's going to be sold from within this room with our blood, sweat and tears. So we will have to go out and make a difference.
And the purpose of this resolution is simply to acknowledge that fact, that this is a beginning and not an end. We still have a long ways to go and, hopefully, we can combine our forces as governors in this country with the President and everyone else who is interested in education to make sure that by the year 2000 we can look back and see that we did achieve these goals.

GOVERNOR BRANSTAD: Governor McKernon?

GOVERNOR McKERNON: Thank you, Mr. Chairman.

I just want to echo Governor Castle's comments.

I think if nothing else, we are clear from Dr. Boyer and Mr. Kearns' presentations today that there is a lot more work that has to be done. This is only a beginning. It is a very necessary consensus on what has to be done. But I think it is just critical for all of us to take this message back to our states.

I want to just give you one thought because what struck me, as I have done it in our State of Maine, is the fact that the educational establishment, contrary to what many of us might have thought, seems prepared to make these kinds of major changes if we want to go out and work with them, and I think it is critical if we are to accomplish any of these goals to understand that we are not going to do it with the current system.

I think by the year 2000 we are going to be
looking at year-around schools, full-time teaching professionals, and kids in school, as Dr. Boyer said, a lot longer than they now are if we're going to be serious about obtaining these, as well as more parental involvement.
That's going to have to come as well from corporations.
So I think this has to be disseminated. It has to be discussed and discussed and discussed.

GOVERNOR BRANSTAD: Governor Sinner -- I want to try to get this to a vote as soon as I can.

GOVERNOR SINNER: Mr. Chairman, I'll be very brief.

I think it's extremely important that we, as governors, realize that there have been a lot of people for a long time that have said all the things we are trying to say today. They have been Members of Congress, they have been members of legislatures, they have been educators. I think what we need to tell the people is not that we're inventing some new wonderful program, but that we're elevating the highest level we know how to elevate to this critical need for educational change.

The President, in calling the summit, I think started the process probably at the behest of some of the people in this room. But it isn't that it's original with us. We are simply adding to a building chorus of leaders in
a lot of other areas in Congress, the legislature and the education field itself, and the business sector. As David Kearns has pointed out, our effort here is simply to say amen from our position as chief executives in the states and this effort to help finally bring the dissemination of that truth that a lot of people have taught us is probably the most critical thing we can do right now.

So, I heartily support the resolution.

GOVERNOR BRANSTAD: Further discussion?

(No response.)

GOVERNOR BRANSTAD: Governor Clinton has moved the resolution supporting the goals that have already been approved. All those in favor of the resolution, signify by saying, aye?

(Chorus of ayes.)

GOVERNOR BRANSTAD: Those opposed, signify by saying, nay?

(No response.)

GOVERNOR BRANSTAD: The ayes have it; it is approved.

We have another resolution that is entitled Peace Divided.

I would recognize Governor Celeste from Ohio to present this resolution, which is consistent with NGA policy.
GOVERNOR CELESTE: I'd like to move the resolution entitled Peace Dividend, which was, as I understand it, authored by Governor Cuomo and submitted to the Executive Committee and considered today in Executive Committee session.

GOVERNOR BRANSTAD: Let me ask for a second?

GOVERNOR GARDNER: Second.

GOVERNOR CELESTE: Mr. Chairman, I think it's appropriate that we take this up at this time as an organization. For as long as I have been here we have tried to address budget issues in a responsible and bipartisan fashion.

I think that this resolution in four paragraphs sets down in a manner very consistent with NGA policy our hope and expectation that should there develop a peace dividend for this country that it would be dedicated both to the bringing down of the deficit, which poses so many problems for us directly and indirectly, and investing in those productivity-oriented investments with an emphasis on education.

And so, as a consequence, I would strongly urge that we pass the resolution.

GOVERNOR ROEMER: Mr. Chairman, I'd like to speak to this also.

I spoke to Governor Cuomo this morning, and
Governor Celeste accurately identifies his interest in this resolution.

As we come out of this meeting and the meeting with the President, I think it's absolutely necessary that we not only say to the nation that we want to achieve these goals, and here are the goals, we've got to recognize, as Governor Clinton indicated, that we're not going to get there without change.

Two significant things I think are happening in the last few months. One, this country is ready for a revolutionary change in commitment to education. The other event is in Eastern Europe we have something that is monumental. It has not happened in 50 to 70 years, and that is a reorientation of priorities of much of the world in reference to reducing arms and the cost of defenses. We need to join these two together.

Now, it's clear that NGA has a policy that states that any peace dividend needs to be balanced among several areas. But I think it's important that we send a message to the country today and tomorrow, when the President joins with us, that is you don't get there by just saying we want to go. You get there by changing behavior, by reallocating priorities and resources.

Therefore, I believe that this resolution should be tied to our adoption of the goals, and I think it's not a
question of if we can get it. We have to get this peace
dividend or we have to make some other change in this
country's policy, or else we're not going to close the gap
that we have created. Therefore, I would urge us strongly
not only to pass the resolution, but to communicate clearly.

I think one of the most dangerous things we have
is to stand up together with the president and say, we've
got to do this in ten years. You've got to pay for it,
you've got to make a sacrifice, you've got to make some
changes in policy, and this is only the first step in that
change.

GOVERNOR BRANSTAD: Governor Campbell?

GOVERNOR CAMPBELL: Mr. Chairman, I do not
disagree in any way that we have to stand behind the effort
toward education at the state and federal level. However, I
don't want to leave the impression that the totality of this
peace dividend resolution is entirely in the education-
funding field. I think that would be misleading to the
public.

Quite frankly, it states specifically that we
should divide our effort, number one, to bring down -- as
Governor Celeste has said, bring down the deficit which, as
we know, as we take the pressure off the market place, we
hopefully can get some relief in interest rates, which helps
all of us, and our industries become more competitive. That
is an integral part of this resolution as presented by Governor Celeste.

The second part of this resolution speaks to the NGA budget policy, which has already been adopted, which speaks specifically to investment in productivity enterprises inclusive of not only hard infrastructure but human resources. That, of course, speaks a little beyond just the education.

I think it is important that we put the term education in there, recognizing that education is a part of that in the development of human resources. But I wouldn't want us to go out of here in any way leaving an impression that this was specifically and completely aimed in that direction, and I just wanted to make that statement.

GOVERNOR BRANSTAD: Governor Thompson from Wisconsin.

GOVERNOR THOMPSON: Thank you very much, Mr. Chairman.

I, too, would like to make a clarification if I might, and that is, in response to Governor Roemer's remarks that we have to stand up united against the President.

I don't think it's we against the President or we against Congress. If you read the first paragraph you will find that the President has directed his Secretary of Defense to review defense spending. It appears to me the
President is doing his part.

I don't think we want to go on record as saying it's the governor against the President, that we have to stand up against him and demand from him because it appears to me the resolution already speaks to that. It appears to me that the President is doing his part by directing the Department of Defense to review defense spending.

I think that clarification should be on the record, as well.

GOVERNOR ROEMER: A point of order, Mr. Chairman.

GOVERNOR BRANSTAD: We have a point of order.

Yes, Governor?

GOVERNOR ROEMER: A point of clarification.

I didn't in any way say that we're against the President. I didn't say that. I just don't want anybody in this room to feel that I said that. I did not say that in any way that I think we need to stand up against the President. I just don't want that to be an interpretation of my remarks.

GOVERNOR BRANSTAD: It's my understanding that Governor Dukakis has a friendly amendment.

GOVERNOR DUKAKIS: I hope so, Mr. Chairman.

(Laughter.)

GOVERNOR DUKAKIS: I strongly support the resolution, but I wonder if there would be any objection to
adding in the final sentence, "we urge the President and the Congress" -- I assume, Governor Celeste and Governor Roemer, that the Congress has got to be a part of this.

Personally, I think it's unfair to direct this just to the President. They're going to have to be a player; they're going to have to be parties to this.

GOVERNOR BRANSTAD: Any objections?

Do we have a second?

GOVERNOR CELESTE: Mr. Chairman, I certainly would have no objection to that amendment. I think it's consistent, frankly, with the way we've directed NGA budget policy in the past at both the President and the Congress.

GOVERNOR GREGG: Second.

GOVERNOR BRANSTAD: Governor Gregg has seconded Governor Celeste and I think both Governor Celeste and Governor Roemer have endorsed it. I would point out that this is indeed consistent with the NGA policy that we already have in place.

Governor Stephens from Montana?

GOVERNOR STEPHENS: Mr. Chairman, I would just make one minor grammatical suggestion.

Can you hear me?

GOVERNOR BRANSTAD: I can hear you, but your microphone isn't working.

GOVERNOR STEPHENS: How's that?
GOVERNOR BRANSTAD: That's better.

GOVERNOR STEPHENS: Just to save us any small degree of embarrassment from the English teachers who are going to look at this resolution, we might want to on the third to the last line remove the word "between" and insert in lieu thereof "among" since we are talking about more than two. We're talking about the federal deficit, education and productivity.

(Applause.)

GOVERNOR BRANSTAD: Second to that?

There appears to be broad support for that.

(Laughter.)

GOVERNOR BRANSTAD: Governor Celeste accepts that.

I guess I would ask that both of these be incorporated. We will vote on the corrections, both the one offered by Governor Dukakis and the one offered now by Governor Stephens, which was really I guess more just a clarification in terms of grammatically to be correct.

All in favor of the amendment, signify by saying, aye?

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)

GOVERNOR BRANSTAD: The amendment is approved.
We now are on the peace dividend resolution, as amended.

Discussion?

(No response.)

GOVERNOR BRANSTAD: All in favor, signify by saying, aye?

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)

GOVERNOR BRANSTAD: It is approved. Thank you very much.

First of all, I want to thank all of you for your active participation in this. I think it's a very historic step for the National Governors Association. We recognize it as one important step along the way.

Tomorrow we will meet with the President. We will share these goals with him. But it's important to remember that the goals are not just the goals of the National Governors Association or the President of the United States. These are truly goals that need the support and active involvement of the parents, teachers, school leaders, business leaders, the entire population of this nation. They are national goals for America.

I want to thank all of you for your hard work in this effort.
One last announcement that I would like you to pay attention to because it involves offering additional amendments for resolutions. The rules of procedure require that individual governors and committees who intend to offer proposed policies that were not included in the required 15-day advance mailing must give notice and provide a copy of their proposal at least one session or at the close of business of the day before the vote is taken. Please give a copy of any proposal to suspend the rules to Jim Martin of the NGA Staff no later than 5 p.m.

I'm informed that Carla Hills is waiting to meet with the Governors in Columbia A.

The first Plenary Session of the Winter Meeting of the National Governors Association is adjourned.

(Whereupon, at 3:35 p.m., the meeting was adjourned.)
NATIONAL GOVERNORS' ASSOCIATION
1990 WINTER MEETING
SPECIAL SESSION ON
INTERNATIONAL ENVIRONMENTAL ISSUES

Hyatt Regency Capitol Hill
400 New Jersey Avenue, N.W.
Yorktown Room
Washington, D. C.

Monday, February 26, 1990
8:15 a.m.
GOVERNOR BRANSTAD: May I have your attention, please. I would like to ask the Governors to take their seats.

We are privileged this morning to have a very special guest, Secretary of State, James Baker. James Baker has held a number of important positions in the last two Administrations, including White House Chief of Staff, Treasury Secretary and Secretary of State. In each of those capacities he's worked very closely with the governors. We appreciate his taking time out of his busy schedule to meet with us this morning and to address one of the critical issues the Governors' Association is focusing on this year.

Last year, under the leadership of Jerry Baliles -- former Governor Jerry Baliles from Virginia, the National Governors' Association focused on global issues and the impact that global issues have on our ability to compete. This year our focus is on building a consensus for change in education and the environment. Most of the discussion thus far has been on the education goals and the consensus building approach in dealing with the issues of education.

We also have two task forces dealing with the environment. One is focusing on global climate change and the other on waste management.
The Secretary of State is here to address the environmental issues today, but I would also hope that he might give us some insight as to some of the dramatic changes that we have seen just in the last few days. Certainly what's happened in the last year during his time as Secretary of State in Eastern Europe is exciting and encouraging. What's happened in the elections in Nicaragua and also in Lithuania are things that we wouldn't have probably dreamed were likely to happen even a few days ago.

We are living in exciting and changing times and we are very appreciative to have the Secretary of State, who is certainly a true leader for this country, dealing with those issues here to address the Governors' Association and discuss the environmental issues and the important role the United States can play in addressing the global environmental problems.

James Baker, the Secretary of States.

(Applause.)

SECRETARY BAKER: Thank you very much, ladies and gentlemen.

Picking up on your suggestion, Terry, before I begin perhaps I should say a word about the election in Nicaragua. In this year of remarkable political change freedom, I think it's fair to say, won another victory yesterday in Nicaragua. For those of you who are interested
in the latest vote count, with 61 percent of the polling places counted, Violetta Chomorro now leads by a margin of 55 percent to 41.5 percent. We congratulate, of course, the Nicaraguan people for their steadfastness and their patriotism throughout this electoral process. We congratulate Mrs. Chomorro and all of the good, brave people in the UNO Coalition on their victory.

But we also commend Daniel Ortega and the Sandanista Government for carrying out this commitment to conduct elections under international supervision.

We pay special tribute to all of those whose presence as international observers contributed so greatly to protecting the integrity of the electoral process. We hope that yesterday's election will mark the beginning of permanent peace and democracy for the people of Nicaragua.

(Applause.)

SECRETARY BAKER: And of course we hope that all sides in this hotly fought contest will extend the hand of national reconciliation and cooperate together in rebuilding their country for the good of all Nicaragua. We very much hope that the cease fire will be reinstated immediately under United Nations supervision and that it will be strictly respected by all sides. We are confident that the international community will rally in support of Mrs. Chomorro's Government. We look forward to working with
President-elect Chomorro in support of her stated goals, which are national reconciliation and economic restructuring.

The international community, of course, will also insist that the decision of the Nicaraguan people be respected and that full civil and military power be transferred to the newly-elected government.

Now, ladies and gentlemen, I have had the privilege of addressing the NGA in some of my past incarnations in government. I'm very pleased to have this opportunity to talk with you today about the environment.

As I told Governor Branstad on the way in, I don't profess to be an expert on the environment. But the environment is becoming more and more important as one of the foreign policy priorities of this country and is something that we consider much more frequently now in our foreign policy dialogue with other countries.

It's a subject that happens to be very important to me personally, even though I'm not an expert in it. It's obviously very important to you and to the 50 States and it is important as well to our foreign policy.

Perhaps a little bit of history may be in order to begin with. In 1852 Chief Seattle responded to a request of the U.S. Government to purchase some Tribal lands for arriving pioneers. The Chief replied, the earth does not
belong to man. Rather, man belongs to the earth. All things are connected like the blood that unites us all. Man did not weave the web of life. He is merely a strand in it. And the Chief warned, whatever he does to the web, he does to himself.

The settlers, of course, kept moving west. My own great-grandfather among them. These independent, hard-working and courageous people helped to make our great nation what it is today. Even for those of us whose ancestors might not have taken part in the westward saga, the pioneers I think still epitomized the essence of the American spirit.

Yet, by the close of the century it had already become evident I think to many Americans from the developed East and the developing West alike that America's bounty was indeed not inexhaustible. It had become apparent that we needed to take responsibility for protecting and replenishing our natural resources so that future generations could enjoy them as we have.

In 1908, at the White House, President Theodore Roosevelt convened a conference on the conservation of natural resources. The first conference of its kind not only in the United States but in the entire world, and it was known as the conference of governors. It is fair to say that the conference was the single greatest stimulus to the
creation of a responsible national environmental policy for
the United States.

Now, as we plan ahead for the next century, I
think we've got to remember the lessons of the 19th and 20th
Centuries. From America's native peoples we have learned
that we simply cannot take nature for granted. We've got to
cherish it and respect its God-given dignity. From our
forefathers we have learned that nature is not a cornucopia
of unending supply. We must give back to the earth if we
are to continue to draw from it.

From the history of the conservation movement in
the United States we've learned that state and federal
governments, business and labor, national organizations and
individual citizens must all work together if we are to
craft effective environmental policies.

Finally, we know from our own experience in this
interdependent world that we must think local and act
global. We cannot serve America's environmental interests
effectively unless we are willing to address world-wide
environmental concerns, and, of course, that's the point at
which foreign policy enters the picture, which is what I'd
like to talk with you about briefly today.

The foreign policy objectives of the United
States are grounded in the basic values of the United
States. We seek to encourage democracy to foster
prosperity through economic liberty, to insure security and
to improve effective international cooperation that
addresses our common interests.

What is not well-known, however, is that our
environmental concerns have a major role to play in the
achievement of each of these objectives. Democracy,
prosperity, security, cooperation and the environment, they
are all interconnected. That's why the President and I are
committed to ensuring that environmental issues are fully
integrated into our diplomatic efforts. This is, if you
want to put it this way, the greening of our foreign policy.

So, first, I would like to discuss how our
efforts to consolidate democracy are linked to our
environmental efforts. Democracies, dependent as they are
on an informed citizenry, and open society and
accountability in government, afford the greater scope for
responsible environmental action. The conservation movement
is one of the greatest success stories for grass roots
democracy in the United States of America. When we defend
and promote democratic and environmental values we express
the essence of what we believe is essential for all nations
to make progress, developed nations and developing nations
alike.

Let me give you an example that I think is pretty
vivid of how those who believe in democracy and
environmentalists can make common cause. In Eastern Europe -- and Terry referred to this in his introduction -- environmental concerns were championed by democratic opposition groups long before the people power revolutions of last fall. In fact, environmental issues helped galvanize the push for democracy in Eastern Europe.

It was an international environmental conference in Sofia, Bulgaria that helped to spark the popular revolution. The Ecoglasnost Association, formed in anticipation of that conference, is now one of Bulgaria's largest grass roots organizations and democratic opposition groups. So, in Bulgaria ecoglasnost gave the term green revolution a whole new meaning.

The environment is clearly one of those points of mutual advantage between East and West that we are pledged to seek as we try to leave the Cold War behind us. To help the Eastern Europeans help themselves in the crucial area of environment, we are offering our whole experience in dealing with these issues. We are offering to the emerging democracies grants and concessional loans, joint projects, training and technology, as well as guidance in drafting laws and regulations. For instance, we have proposed a joint United States-Czechoslovak study to determine the most cost effective way to deal with Czechoslovakia's very serious air pollution problems. We are providing clean coal
technology to Poland in part to arrest the tragic defacement of Krakow's historic architectural treasures. Treasures that are literally being eaten away day by day.

For the region as a whole we have promoted participation in the Budapest Regional Environmental Center first announced by President Bush last July with the Soviet Union. Foreign Minister Shevardnadze agreed to my request last May add to our meetings a fifth major agenda item on transnational or global concerns. Environment is the most prominent issue in these ongoing discussions.

Narcotics and terrorism are similar issues.

The sum total of all of these projects will reinforce the trends toward democracy in the East. That is, governments that are responsible to the people and to the concerns of the people. Which brings us to our second major objective, promoting prosperity and economic liberty. Just as political freedom and economic liberty go hand in hand, so, too, do sustained growth and a healthy environment. Strong economies provide the material means with which to protect the environment.

These relationships are symbiotic. They are expressed the concept called sustainable development. Sustainable development, to put it simply, is a way to fulfill the requirements of the present without compromising those of the future. When policies of sustainable
development are followed our economic and our environmental objectives are both achieved. In fact, America's approach to bilateral and multilateral assistance is based on the concept of sustainable development.

Providing market based incentives, eliminating structural impediments and ending international trade practices distort global markets. All will general an economic dynamism that benefits the developed world and the developing world alike.

Let me give you a few examples of how we are trying to make the concept of sustainable development work through our bilateral assistance efforts. In Rwanda we are sponsoring a project linking the economic benefits of tourism with conservation of two unique species rich protected areas.

In other developing countries around the world we are fostering biodiversity. By so doing we can increase the availability of natural products for commercial purposes. Life saving pharmaceuticals and other marketable goods, such as food and dies, can result. And ongoing Agency for International Development project in Indonesia focuses on the management and conservation of exotic native fruits which may prove marketable. This project also promotes the management practices needed to stem the want and destruction of tropical forests.
Innovative efforts such as debt for nature swaps are also important. These, like all other debt reduction efforts, must involve some basic structural reform if they’re going to be successful. Debt swaps, as I learned during the three and half years that I served at the Treasury Department, are not a panacea for debt reduction, nor can they single-handedly solve environmental problems. But, debt swaps can help with both of these problems.

On the multilateral level the development banks can play a key role in promoting environmentally sustainable growth. We will continue to encourage the multilateral development banks to strengthen their policies, their staff, and their training, and we hope that other donor countries will join our efforts to integrate environmental assessments into all of the operations of these development banks.

I know that there have been and continue to be some rather dramatic calls by some for the establishment of new financial institutions or mechanisms to provide environmental assistance. But before we spend our scarce resources on creating new bureaucracies, I think it makes good sense to make maximum use of the multilateral tools that are already in existence and to reinforce some of our existing institutions.

Similarly, before we dedicate additional resources toward international environmental efforts, we're
going to need to know exactly how much it's going to cost and how much will be required. Substantial funding for environmental projects is already available. We fully recognize, however, that developing countries may need some additional aid in order to meet the incremental costs which are associated with fulfilling their international environmental obligations.

Our third key objective is ensuring global security. Solid democracies and sound economies cannot prosper in unsafe surroundings. We have long worked in partnership with friendly nations to protect ourselves against traditional security trends from hostile governments. But in today's world traditional concepts of threats to the security of our citizens need to be updated and they need to be extended to include the new trans-national dangers, with environmental degradation being foremost among them.

Environmental threats respect no border. They threaten human lives and they violate the territorial integrity of states both from within and from without. Chernobyl, the classic example of the ills of the stagnant Brezhnev era, showed us how lives can be needlessly endangered when governments fail to act quickly and responsibly to protect their own citizens and to protect the people of neighboring countries.
Not surprisingly, the drug cartels that threaten the health of the world community also damage the environment. As I pointed out at a special session of the United Nations on narcotics last week, traffickers in the Andes are destroying vast tracts of forest for their drug labs and they are dumping millions of gallons of precursor chemicals into rivers.

Forty years ago we and our North Atlantic Treaty Alliance partners pledged to safeguard the common heritage and civilization of Europe against our common enemies. As we have seen defending Europe's environment from the threat of pollution is just another way for the West to help the peoples of the East realize their dream of a Europe that is whole and a Europe that is free.

Our fourth objective is enhancing effective international cooperation that addresses our common interests. As we have seen, many of today's problems, environmental problems especially, have world-wide consequences. They demand world-wide or global solutions. All nations share responsibility for the protection of the international community. No national alone, however great that nation is, can dictate fully the course of human events, nor fully protect its own natural resources, and no nation, however small that nation might be, is without the power to act for the health of the global economy. All
countries must act responsibly and all countries must work together.

I am glad to say that more than ever before nations all over the world are working together on global environmental problems. Let me give you two examples, one of which is global climate change. Just a few weeks ago the President addressed the Intergovernmental Panel on Climate Change. He was the first head of state to speak before this panel and his presence demonstrated I think the seriousness with which our government regards this question, as well as our dedication to finding appropriate scientific, economic and environmental solutions.

The President reiterated our policy toward climate change. It's a policy that we call the no-regrets policy, and we encourage other nations to adopt a similar approach. Just what do we mean by no-regrets? We mean that while we are pursuing the serious scientific research that is critical to any responsible approach we are also hedging our bets in an economically sound way. We mean that the United States is making a major financial commitment to analyze these scientific issues, increasing our funding for the United States global change research program to over $1 billion, and we mean that we are prepared to take actions that are fully justified in an of their own right and which have the added advantage of coping with greenhouse gases.
They are precisely the policies that we will never have any cause to regret.

Specifically, we are committed to phasing out chlorofluorocarbons by the year 2000 to protect the ozone layer. CFC's also contribute significantly to the greenhouse affect. Next, the President has launched a major reforestation initiative called American the Beautiful. Under this multi-year program our citizens will plant one billion trees each year in partnership with the government and the business community. The trees will provide, of course, habitats for wild life, stem soil erosion, provide recreational facilities, offer employment and generate forest products. At the same time, the trees will help absorb carbon-dioxide, a major greenhouse gas.

Finally, we are dedicated to a program of energy conservation and energy efficiency. This contributes to efficient use of scarce energy supplies. It reduces our dependence on foreign energy sources and saves all of us money, citizens, government and industry alike. Moreover, decreasing the use of the fossil fuels will reduce greenhouse gas emissions.

If the results of international scientific research demonstrate that climatic conditions will not change in a significant way, we will have no regrets for these actions because they have provided -- or will have
provided us with other benefits. If, on the other hand, the
findings of our research turn out to be more trouble, we
will have taken prudent steps toward solving the problem in
a cost effective way.

We urge other nations to join us in our no-
regrets effort.

A final example of global cooperation involves a
denizen of the animal family, a party animal, if you will.
Some might say he is a partisan creature. But I think he
has bipartisan values and virtues. Sadly, he is listed
among the severely endangered species, and I would suspect
that perhaps even the Democrats among us might agree that if
we let our old friend the elephant pass from the earth we
would all be somewhat diminished. Therefore, last summer
the United States led the way in banning the international
trade in ivory. Now a global effort is underway. Most
other nations have joined us, and although some trading in
ivory continues, I believe we can all work together to
develop and enforcement system that saves the African
elephant.

The environmental efforts that I've mentioned
here today are illustrative of the many ways the Bush
Administration is acting to protect the environment
nationally and internationally. This morning I have not
even begun to touch upon our no net loss of wet lands
policy, our opening of formal discussions with Canada on acid rain, or our drift net fishing resolution that was adopted unanimously by the United Nations. Nor have I touched upon another major environmental initiative of this Administration, crafting a revised clean air act with incentives for our private sector to find creative market driven solutions to enhance air quality. And I'm very hopeful that we will soon be able to sign the Basel Convention which controls the exports of hazardous wastes.

The United States, ladies and gentlemen, is doing all of these things because it serves our own national interest to do them. We are also doing them because they are fundamentally the right thing to do. The great early pioneers of American conservation recognized these truths and they found effective ways to act upon them. Their views didn't always prevail with the officials of their era and they certainly didn't always agree with one another.

Controversies that raged around the Governors' Conference back in 1908 continue down to this day. Indeed, environmental issues have never been simple and they never will be. Environmental problems are complex and environmental problems are sometimes very slow to develop, and sometimes we are even slow to recognize them. Yet, despite the intense debates, despite all the uncertainties, despite the shear complexities involved, there remains
before us, as there remains before all peoples, the
unquestioned responsibility to act.

Emerson, the 19th Century American essayist and
poet, put it this way when he said, "We do not inherit the
earth from our ancestors; we borrow it from our children."
So this is a sacred debt that must be honored. The splendor
of nature enfolds and unites all of humankind. So, now
together the earth's peoples must work so that this precious
web of life shall embrace in beauty and embrace in peace all
of the generations to come.

Thank you very much.

(Applause.)

GOVERNOR BRANSTAD: Secretary Baker has got a
very busy schedule, but he has graciously agreed to accept a
few questions.

Governor Castle has a question.

GOVERNOR CASTLE: Mr. Secretary, I must say that
you had an amazing year, sir. You and the President. Every
day when I picked up the paper some new country has declared
for the side of democracy or something else. The Washington
Post I think has three headlines on that on the front page
this morning. It's hard for me just sitting in Delaware to
just figure out where it's all going. I'm going to be a
little more expansive than the environment.

I saw in the paper the other day that if East and
West Germany were to combine they would have had more gold medals than either the United States or Russia in the last Olympics and that may not be an indication of the economies of the future. But I'm sort of interested in your thoughts on the unification of the Germanys and just where the Eastern European countries are going in terms of both their economies and their governance in the future.

What do you see happening in the next three to five years with these countries?

SECRETARY BAKER: Governor Castle, the point you make I think is a very, very good one. Simply stated, I believe it's that freedom works and we are seeing that the commitments that free peoples have made and firmly held on to over 45 years are paying off. Our job is to respond to and manage this extraordinarily dynamic change in a manner that wins the peace. Things are very much moving in our direction in most all areas of the world that you can think of. The election here in this Hemisphere this morning is very, very important in that regard.

German unification is a very complex subject. It happens to be -- some people tend to forget this, I think, but it happens to be a policy goal of the United States and has been for 40 years. It continues to be a policy goal of ours. We're quite confident that it can be affected in a manner that gives due regard to the concerns, the legitimate
concerns of many of Germany's neighbors and we see the
United States as having a major role to play in that.

The President has just spent two days meeting
with Chancellor Kohl at Camp David. If you observed the
coverage of those meetings and the statements that were made
and the answers they gave at their press conference, I think
most would come away with a sense of well-being about at
least the efforts that we're undertaking to properly manage
what is truly historic change in that part of the world.

GOVERNOR BRANSTAD: Governor Kunin, the Chairman
of our Energy Environment Committee, has a question.

GOVERNOR KUNIN: Thank you.

Mr. Secretary, I just want to first of all
complement you and commend you for having extraordinary
ability to integrate foreign policy with environmental
concerns and seeing that the two are strongly intertwined.

I concur with all the steps the United States is
taking to reach out and I agree that this is a beginning
stage. But do you foresee at some time in the future the
equivalent of an environmental economic Marshall Plan that
would combine those two approaches and enhance them in a
broader way because the needs are so great, and at some
point having a unified approach to dealing with both the
economy and the environment in these changing countries.

SECRETARY BAKER: Governor Kunin, I think there
has to be some integration of our approach to environmental
problems and economic problems, as I indicated in my
remarks. At the same time, I happen to be an
extraordinarily strong proponent of a free market approach
to the economy and I think that there is more room, frankly,
for international institutions.

Well, let me put it this way. There is more room
for a detailed cooperative approach with respect to the
environment, frankly, than I think there is with respect to
the economy. Although I spent a lot of time at the
Department of the Treasury in proposing, and we ultimately
got adopted, a mechanism within the group of seven nations
whereby we would coordinate the economic policies of the
major industrial economies of the world, I agree with you
that the two are related.

The economy is a major foreign policy concern of
ours, as well, but it's pretty much a free market economic
approach. More than I think it would be in the
environmental area. We are not quite as hands on, if you
will, in our approach to the economy as we would be -- will
be in terms of the environment.

It's only in the last 18 months that
environmental issues have played a large role in our foreign
policy. It's only in the last year that we have put this on
the agenda -- on our agenda with the Soviet Union so that we
discuss them routinely every time we meet with the Soviet Union.

We have now, interestingly enough, begun to discuss economic issues with the Soviet Union, but it's more in the attitude of technical economic cooperation flowing from a system that works to one that doesn't work.

GOVERNOR KUNIN: Thank you.

GOVERNOR BRANSTAD: Thank you.

Secretary of State James Baker, thank you very much for joining us this morning.

(Applause.)

GOVERNOR BRANSTAD: I just have a very brief group of announcements. The committee meetings will begin promptly at 9 o'clock. So that business can be completed on time by 10:20 this morning, we would ask that you go directly to your committee meetings at this time, and I would also ask the Governors to be prepared to board the bus in front of the main entrance of the Hyatt Hotel at 10:30 promptly so we can go to the White House to meet with the President.

Thank you very much.

GOVERNOR SCHAEFER: Mr. Chairman?

GOVERNOR BRANSTAD: Governor Schaefer?

GOVERNOR SCHAEFER: We have talked about education and environment and all those cost money. I don't
know whether this is in order, but may I ask if there are any Governors who would be interested in joining me in sending a letter to the players and the owners of the baseball teams and ask them to consider the fans instead of considering spending the money on the ball teams and how much money these players are going to get and how much profit they're going to make and be a little bit concerned about the economies of the cities that will be, and are being, adversely affected at the present time.

I'm going to prepare such a letter and sent it. Anyone that would be interested, I would be more than glad to have them join me in the letter.

Thank you.

(Whereupon, at 8:50 a.m., the meeting was adjourned.)
WASHINGTON, D. C.

Tuesday, February 27, 1990

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NATIONAL GOVERNORS' ASSOCIATION
1990 WINTER MEETING
SECOND PLENARY SESSION

Hyatt Regency Capitol Hill
400 New Jersey Avenue, N.W.
Yorktown Room
Washington, D. C.

Tuesday, February 27, 1990
9:35 a.m.
GOVERNOR BRANSTAD: I hereby call this Plenary Session of the National Governors' Association to order. I would ask that the governors take their places.

Hello governors, ladies and gentlemen. Our commitment to build a consensus for change to achieve a quality environment is just as strong as our commitment to build a consensus for change in education. We have been focusing on two very important issues that pose the imminent threat to our quality of life and standard of living. We have task forces addressing local climate change and solid waste. These task forces are capably led by Governor Jim Thompson with Governor Madeline Kunin as co-chairman on the global climate change and Governor Casey with Governor Martinez as co-chairman of the task force on waste management.

In keeping with our goal for building a consensus, we've asked for substantial input from the stakeholders, from people throughout the country, from scientists, business leaders, and environmental leaders. Among several significant forums that have been held was as briefing on global climate change which occurred at the United Nations. This was an historic first for the National Governors' Association to hold a meeting at the United Nations. And Governor Cuomo helped us to make the
arrangements. We established our task force and had our first meeting of the task force coincide with the same day that Prime Minister Margaret Thatcher addressed the United Nations General Assembly on the subject of global climate change. The juxtaposition of these two was very significant and gave us a good way to kick off the task force on global climate change.

I also appreciate the leadership that Governor Casey has given as we address the very important issue of waste management. He comes from a state that has done some very positive and innovative things in dealing with that critical issue. Global climate change may be the most complex environmental and economic challenge that we've ever faced. It is difficult to assess the impact of human activity on our world's atmosphere but that's what we're trying to do. Given the complexity of this issue, the task force has recommended goals that provide a reasonable return on investment, improved energy efficiency, along with addressing the need for improved social and environmental changes.

Solid waste and its management, on the other hand, is an environmental issue about which we know a great deal. We know, for example, that each person in this nation, with 245 million citizens, throws away an average of 3.6 pounds of trash a day. That's an unacceptably high
level. We also know that our landfills are overflowing with trash. We've seen medical wastes appear on our beaches. And each of us in our individual states is grappling with the problems of the disposal of toxic wastes.

The waste management task force is proposing goals that will encourage resource reduction and recycling, as well as innovative management programs that have been developed in the individual states. We know that governors can be powerful agents for change in addressing these critical environmental issues, just as we have been in the educational field.

We must also begin the process of developing specific objectives and strategies for our goals. And the work of the task force, as it met yesterday, is certainly moving forward on that front. We expect that these two task forces, along with the education task force, will present us their final reports and recommendations at the summer meeting of the Governors' Association in Mobile.

This morning we have a full agenda, with two outstanding guest speakers and 20 policy petitions to be considered. If you haven't, I want to encourage all of the governors to be sure you get the information from the National Geographic Society. They've put together an outstanding environmental education lesson plan for governors to use in conjunction with earth day. And they, I
believe, yesterday, had a series of presentations for your
staffs. We would encourage every governor to take that
lesson plan back with you and to use it this spring and help
promote earth day and the environmental ethic that's so
important for not only our youth but all of our citizens.

At this time, I would like to call on Governor
Casey to report on the task force on solid waste.

GOVERNOR CASEY: Thank you, Governor Branstad.

Very briefly, the solid waste management task
force has had two meetings on this issue, the first in
Charlottesville, Virginia and the second yesterday, a very
informative session with experts from around the country.
The issue addressed by the task force is one that each of us
has had to face; we know its challenge, its complexity, its
difficulty, and most important of all, its great importance
to the economic and environmental future of our states.

The task force is concentrating on three primary
areas: first, to eliminate the amount of waste generated
into the next century -- or source reduction, as we call it
--; second, recycling a significant portion of our waste
stream, as high as 30 percent or more by the year 2,000; and
finally, ensuring that each state alone or in cooperation
with other states manages the waste that it is produced
within its own borders.
We'll be urging each state to take the necessary steps to minimize the amount of trash transported for disposal out of state. This can be accomplished through a variety of means. Development and proper implementation of comprehensive waste management planning which would include source reduction and recycling, and efforts to construction environmentally safe disposal facilities.

The task force and its staff will be working in the coming months to strength and update and finalize the goals. We want the goals to be ambitious and yet realistic. And each of us knows that will require the cooperation of all segments of our society, government, industry and the public at large, if this challenge is to be met. We're hopeful that Congress will consider the reports' final recommendations when it considers amendments to its solid and hazardous waste laws over the coming years.

I want to thank Governor Martinez, the vice chair of the task force and members of the committee for their efforts and contributions to this work, and look forward to working with them over the next few months to finalize the report and to present the final product to you, Mr. Chairman, this summer.

Thank you.

GOVERNOR BRANSTAD: Governor Casey, thank you very much for your report and for your leadership on this
very important issue.

And now, we have a very special guest that's going to be our speaker this morning and he has the title, speaker, and we are very fortunate to have him. And a lot of credit goes to the Vice Chairman of the National Governors' Association, the Governor of the State of Washington, who invited his friend and the Speaker of the House. And at this time, I am pleased to introduce my good friend, the Vice Chairman of the National Governors' Association, Governor Booth Gardner from the State of Washington, to introduce our next guest.

GOVERNOR GARDNER: Fellow governors, citizens, on June 6, 1989, Thomas S. Foley was elected as Speaker of the United States House of Representatives. Tom Foley is described by his colleagues and those who watch government as the right person with the right personality to heal the political wounds within Congress that almost brought that institution to a standstill. He was the leader that was so badly needed to get Congress back to doing the business of the people. And that's exactly what he did.

Through is training in law, his work as special counsel to Scoop Jackson, his election to the House of Representatives in 1965, his chairmanship of the Agricultural Committee, and his election as Majority Leader, Tom Foley has also become known to the nation as a leader
who can tackle tough issues, find solutions in a fair and bipartisan manner.

Tom Foley, you've come a long way from that day in 1965 when you were just a young freshman congressman sitting in an airport in your home town of Spokane, Washington, when a phone call came from the President of the United States. Having been told by airline personnel that the President was on the phone, you strolled proudly out of the waiting area to a small room where the President was waiting on the phone. You picked up that phone and said, "hello, this Congressman Foley." And that West Texas voice with that drawl said, "Foley? I was calling Fogarty in Rhode Island." And hung up the phone.

(Laughter.)

Not to be outdone, you waited a minute, and then strolled proudly back to the waiting area where you'd been sitting. And when asked whether you had finished your conversation with the President, you said, yes. And when the airline upgraded you to first class, you just smiled inwardly.

But today, if you were sitting in an airport were the President of the United States to call, you would know that it would not be a wrong number. The President would be asking for Thomas S. Foley, Speaker of the U.S. House of Representatives.

Ladies and gentlemen, Speaker Tom Foley.
(Applause.)

SPEAKER FOLEY: Thank you very much. Governor Gardner, Chairman Branstad, distinguished governors, ladies and gentlemen, that's a true story by the way. It was the single most depressing moment of my political career before or since when Lyndon Johnson, with appropriate expletives prior to announcing he was calling for John Fogarty of Rhode Island.

I do have a very welcome opportunity to greet you and to help welcome you to the City of Washington. We're living in astonishing times, these days, and I think we have all witnessed a lifetime of change, particularly in Eastern Europe, changes that have shaken the assumptions of the world political system and assumptions that have governed our domestic and foreign policy for the past forty years.

Each day brings new reports that would be considered unthinkable a year ago. Saturday, the first multi-party elections in the Soviet Union in 72 years took place; in Lithuania, the communist party was dramatically rejected; and in Nicaragua on Sunday, the voters elected Violeta Chamorro, the opposition candidate, ending ten years of domination by the Sandinista party. In South Africa, the release of Nelson Mandela provides the best hope in a generation for reconciliation in that polarized and troubled nation. These events are still unfolding in Europe and
Latin America and Southern Africa by what Thomas Jefferson called the irrepressible spread of the virus of democracy gives us great hope that the end of conflict among nations could occur in our lifetimes.

We Americans can take, I think, great pride in these events; the end of the cold war, the triumph of freedom is a victory for our ideals and our political and economic values, a vindication of bipartisan leadership in foreign policy and a tribute to the determination and will of the American people who, for the past forty years, have endured the cost and made every sacrifice necessary to preserve peace and defend freedom.

We have a continuing duty to preserve and promote the spread of democracy from South Africa to Nicaragua to China and to protect ourselves against the possible resurgence of the totalitarian aggression. Having spent by some estimates about a trillion dollars since the end of World War II to defend freedom around the world, we cannot now afford to let democracy fail for lack of American support.

But the lessening of international tension also gives an opportunity to redirect our energies to challenges facing us here at home. The 1990s will be a period of profound and continuing change and a period of fundamental choice. All of us, but most especially those of us who hold
public office, must be ready to meet those challenges. In
the Congress, we look forward to working with President Bush
but we also recognize the skill and commitment each of you
governors brings to your office. We especially value the
expertise that you've displayed and we look forward to
working with you in seeking the solutions to our national
problems. Working together, I'm convinced that we can
overcome any obstacles.

I believe the central challenge of America in the
1990s is to renew our economic capacity and regain control
of our economic destiny. The greatest test of our strength
will be in our classrooms, not in our missile silos. The
gravest threat will come not from any one nation's attempt
at world domination but from every nation's complicity in
the worldwide destruction of the environment.

Since the end of World War II, the United States
has experienced a period of unprecedented economic
prosperity. Even today, we continue to be the world leader
in economic and technological innovation. But our economic
preeminence is increasingly jeopardized and we find
ourselves confronted by countries that claim America is in
decline and we will never again dominate the world
marketplace. Perhaps we cannot dominate the world
marketplace but neither can we accept the judgment that the
United States is in decline.
In the lessons of the last forty years, the principal lesson is that a strong America is essential to the political and economic health of the world communities; the foundations of American prosperity have been private initiative and a well trained, industrious work force. The Federal Government ought not and cannot ensure the success of private economic endeavors but we in Government at all levels can help create the conditions and the means for vibrant economic growth.

Education, I believe, is the key to this endeavor. Our ability to realize our full economic potential depends on the degree to which we provide our workers with the skills they need to participate in an increasingly competitive marketplace. In addition, our strength as a society depends on the ability of our citizens to participate knowingly and knowledgeably in our democracy and our democratic institutions.

While I commend the President for his desire to be known as the education president, I question whether he can achieve that goal by proposing a meager two percent increase in the Federal spending on education programs. The simple fact is we don't have a two percent education problem in this country; the education gap is much more daunting. By most accounts, American high school students rank near the bottom of the industrialized nations in math and science
proficiency. And the results of at least one study purport
to show that less than half of the 17 year-old's in some
school systems can read and understand a newspaper
editorial. The population cannot succeed in meeting its
economic and political responsibilities with such levels of
proficiency. Yet, to apply a tepid incrementalism to such
problems, a two percent increase in the federal contribution
to education, will merely underscore and perpetuate our
problem. We need bolder action.

I recognize, of course, that spending alone is
not the answer to all problems in education. But it is an
important factor. By no credible measure, is the United
States a world leader in education spending as is sometimes
asserted by the Administration, especially in the troubled
kindergarten through twelfth grade areas. It is true that
we spend a great amount of money on higher education,
expenditures which are generally effective. But the use of
these expenditures as a measure of our spending on education
seriously distorts the degree of commitment to that critical
primary and secondary education level. By most estimates,
the United States ranks between 12th and 14th among the 16
leading industrial nations in expenditures on education from
kindergarten through the twelfth grade. Only Australia and
the Republic of Ireland spend less per capita as a
percentage of gross domestic product, and arguably they
produce a greater success with those expenditures.

Other changes in our education system in the curriculum, in the status of teachers and expectations about students and the regulatory reforms, to name a few, will be fundamental to any improvement in education quality and student achievement. But in education, as in every other service, we may get what we pay for. To begin a process of education reform by denying the need to increase spending, especially when U.S. schools are under-funded, compared to those in other industrialized nations, places a severely limiting constraint on any plan for education improvement.

I commend the National Governors' Association for its commitment to education reform and its effort to set ambitious national education goals, goals we must achieve if America is to remain economically and politically in a position of prominence in the next century. We hope that it will be possible to work with you as the Congress seeks to find means to achieve those goals. Together, I believe we can develop an educating system that is among the best in the world.

We face other challenges. We face, for example, a physical deficit, the gap in spending to maintain and improve our public infrastructure. It shows up in lost lives, lost productivity, lost jobs and lost opportunities. Fully 41 percent of the bridges over 20 feet long are either
structurally deficient or functionally obsolete at an estimated repair cost of $51 billion. Sixty-two percent of our paved highways need some sort of surface rehabilitation. It is estimated it would cost about $315 billion over the next ten years just to return those highways to their 1983 condition. Airport delays exceed 2,000 hours a day, costing airlines an additional $1.8 billion in operating expenses, and passengers $3.2 billion in lost time. We have $68 billion in unmet sewage treatment needs, and so on.

Our physical assets support of all our economic activity. Our disinvestment in these assets poses a direct threat to the nation's productivity. A study commissioned by the Federal Reserve Bank of Chicago estimates that a remarkable 80 percent of the fall off of our domestic productivity since 1970 can be explained solely by the fall off in our spending on infrastructure. By contrast, an increase of one percent in public infrastructure investment yields a gain of four-tenths of one percent in productivity growth.

The Administration's Department of Commerce estimates that every dollar of construction investment raises an additional 2.23 dollars in economic activity. And since 1980, Federal direct public investment has dropped by 25 percent. The problem here, unlike so many other areas, is not a lack of resources. In reality, there is a current
surplus in the highway trust fund exceeding $17 billion. The airport trust fund has a surplus in excess of $14 billion. These funds are explicitly set aside to fund improvements in highway and airport construction areas. Yet, the President has proposed an obligation ceiling for the next year, $330 million less than the $12.35 billion ceiling established in the 1987 Highway Bill, and far less than the $15 billion ceiling proposed by the National Governors' Association. The failure to spend the funds accumulated in those trust funds might make the Federal budget look smaller but they imperil our long-term economic health by robbing us of the foundations of that prosperity.

Since President Jefferson's time, the Federal Government has played a pivotal role in developing a nationwide system of roads and bridges. It's time to put the trust back into the trust funds and to commit ourselves as our forbearers did to investing in our infrastructure and to ensuring our competitive future.

We will take up a variety of legislation this year in the Congress, and we'll pass a child care bill perhaps as early as the end of March in the House, pass a tough clean air bill, the moral spill clean up legislation, and I'm optimistic that we can pass a comprehensive campaign finance reform bill. We also intend to complete action in Congress. The House has already passed the so-called motor
voter law which will be, I think, passed by the Senate later this year.

In health care, we're constantly seeking creative ways to address the looming health care crisis. As a nation, we spend, as you know, approximately 11 percent of our gross national product on health care cost, yet 36 million Americans are without any health care insurance at all. I understand my Governor, Booth Gardner, has made health care reform his chief priority and I agree that health care is one of the most important issues facing us as a nation and a society, and we look forward to working with you, Governors, in seeking solutions. Later this week, the Pepper Commission, established to look at long term health care problems, a bipartisan and bicameral committee of Congress, is expected to make it's report.

On drugs, we're going to continue to seek ways to fight this scourge that's attacking our society and our families. It's of course a national problem. We have an obligation to provide the resources needed to clean up our streets. Last year, against the Administration's proposals, the Congress tripled the $450 million the amount of Federal monies spent for state and local drug enforcement. I expect that we will continue to pressure the Administration to accept increases in these critical areas of assistance to the states. We won't win the struggle overnight, of course,
or even in a few months or over a year or two, but we must begin together to reclaim our streets and our schools and our neighborhoods.

We are beginning a long process of reevaluating our strategic needs and goals in the world. We will continue to be cautious of virtually everyone of every political and philosophical stripe agrees that our position in the world has fundamentally changed and that the military threat to the United States has lessened dramatically.

Richard Pearl, an associate of mine and former member of President Reagan's Defense Department has testified that the notion of a Warsaw Pact attack on Western Europe is extraordinarily difficult to contemplate and that the past three Chairmen of the Joint Chiefs of Staff have suggested that we can consider postponing the modernization of our strategic forces, at least to the extent of not needing two new missile systems. James Schlesinger, former Secretary of Defense for President Ford, has said that he believes the United States forces in Europe can be cut to about 75,000.

The Administration has admitted that the Soviet threat is now lower than any time since World War II. Obviously, our first responsibility is to assure our national security and, as a consequence, I don't foresee immediate and dramatic reductions in the defense budget. But over the course of the next several years, I think it's
reasonable to expect that the defense budget will reflect
the new environment and will be substantially lower in terms
of the overall budget and in terms of our gross national
product. This will create a debate about what we should do
with the defense funds. The so-called peace initiative is
already being debated extensively in the Congress. One of
my colleagues, after a weekend conference, sent me a note
saying, he felt that half of the peace dividend should be
applied to education and half of it to health, and half of
it to deficit reduction.

(Laughter.)

And half of it to tax reduction.

(Laughter.)

And half of it to the infrastructure, and half of it to
creating new mathematics to explain how six halves can equal
one whole.

(Laughter.

But, despite that, I personally am more inclined
to the good sense I think, of the NGA in suggesting that
about half of it should be applied to the general social
deficit in the country and half to the fiscal deficit. We
will not want, however, for places to spend this money. It
is important to realize that in the first months, reductions
in defense spending are somewhat difficult, whether you
close bases or you bring troops home from Europe or you
cancel contracts or you engage in other general changes in strategic and defense posture. The immediate impact is sometimes to increase costs in the short term. But there's no question over time that very significant savings will be realized.

The challenges that we face as a country, I think, are ones that give us an opportunity in this last decade of this century to, as I say, readdress our focus perhaps more at home while remaining an important and active actor on the world stage -- the United States is not going to forfeit its international role -- we can perhaps cede the resources and certainly the time and attention to look to where our country has gone and where it is going. And perhaps, as many of us believe, the challenge of entering the 21st century, a stronger, better educated, healthier society, one in which we are more competitive, one in which our position in the world is more secure, is a task and a challenge for all of us to undertake with great seriousness.

As I said, we wish in the Congress to work with the President. We have a divided government, divided responsibility which has been the case since the end of World War II; more often than not, mostly Republican presidencies and mostly democratically-led Congresses. On the other hand we will, from time to time, disagree, and that is also part of the system, part of the undertaking of
our separation of powers Constitution. When we do disagree, I hope we can disagree without rancor and without a residue of ill will. Certainly, it's our view that the best ideas of the Congress and the Executive Branch should be brought forward in an effort to deal with our national problems and challenges.

In all of this, the role of the states and the governors is going to be extremely central. Thomas Jefferson is one of my heroes, and he once wrote to a friend, what an augmentation in the fields for jobbing, speculating, plundering, office building and office hunting would be produced by the assumption of all of the states' powers into the hand of the general governors. Our true theory of the Constitution is surely that the wisest and the best is that the states are independent as to everything within themselves.

I'm not sure how totally independent you feel today but the viability of the Federal system is being improved and being demonstrated every day in this country. And, as all of us who watch the affairs of the state and the Federal Government know very well, some of the most innovative and important steps are being taken not at the federal level but at the state level. And we in the Federal Government in the Congress and the Executive Branch look forward to working with you as we confront these challenges.
in the coming decade.

I want to personally express my gratitude to my own Governor, Booth Gardner, and I know members of Congress share this view with respect to their governors, for all the cooperation and assistance and concern that he has exhibited in having close and effective relations with the members of the Congressional delegation. We are truly in a position of great opportunity, and I hope that when the turn of the century comes in ten years from now and we have an opportunity to look back on this decade, we will all of us look back on it with a sense of satisfaction and achievement.

Thank you very much for the chance to be with you.

(Applause.)

GOVERNOR GARDNER: Speaker Foley has generously agreed to accept some questions. And I think that Governor Sinner from North Dakota has the first question.

GOVERNOR SINNER: Mr. Speaker, you do good work. And I want to ask for your help in a special problem. We in the states' governors' chairs are literally reeling with funding problems, just like you are. Our people have been told over and over, no new taxes, by politicians at all levels. Property taxes are skyrocketing to obscene levels. The rich provide less and less support. The Federal
Government has a hopeless debt. Fortunately, we aren't allowed to do that. We all want better education but with local funding, of course, and that means higher taxes.

I'd like to ask your special help on another problem and that's medicaid mandates. Tom, we can't handle anymore. Can't you help us stop them? We have to prioritize our spending in the states. Some of us have horribly hurt economies. Prioritizing is extremely difficult. You just have to let us decide what our priorities are. We unanimously last year signed a letter to Congress to ask them to ask you to stop sending us more mandates. Now, I personally plead with you to stop them.

We're grateful for the options. We get mandates even dropped on us in the middle of budget periods without any time to plan or budget for them. There may not be a way for us to legally resist these mandates, and I think we have to try to do that. But can't Congress please let us run the states? Why does it insist on giving us these mandates when our own prioritizing is so difficult, from us, from our point of view, and yet we have Congress try to do it. I think we all feel pretty strongly about that. And we plead with you to help us.

SPEAKER FOLEY: I think that's a concern that's very well taken, Governor. I think that increasingly in the House and the Senate, there's a recognition, largely because
of communications with the governors and the legislatures, that Congressional mandates are an extremely serious problem. The whole are of medicare is obviously one that's troubling to the Congress. We are reluctant to restrict benefits. We have exhausted many areas of potential savings by restrictions on health providers and the Administration, again, is pressing for even more savings in this area. So it's one that's troubling all of us.

This is not an answer to your question, but I'm interested to note that members of Congress are reporting to me, at least, that in their home states, in their home districts, they're getting more and more questions abut national health insurance. I'm not a proponent of that and I'm not suggesting that, but it's interesting that after years of relative quiet, the issue of a national health care system is again, I think, bubbling up at the grass roots level. In addition, many people in the industrial field, including some of the major CEOs in the country, troubled by the amount of money that is being required to meet labor contracts, now are talking more about a system which removes the cost of medical care from workers and from the company, and places it on some kind of tax-based national level.

My concern with all of this is that the public, I think, has the view as they do in so many areas that they're presently paying enough, and the system should improve and
be widened and be deepened in all of its aspects and there should be no additional cost. Whether that's possible or not, that's the expectation we all deal with.

But I'll report your concern again to those who are dealing with this area and it's a concern, I know, shared by other governors.

GOVERNOR GARDNER: Governor Kunin of Vermont has a question.

Governor Kunin?

GOVERNOR KUNIN: Thank you. Appreciate your overview and your thoughtful remarks.

There are two areas that you mentioned that you expect to see action this year, one the Clean Air Act, and the other the Child Care Bill. I know of the action on the Clean Air Act is now in the Senate, but could you give us some more detail, particularly on the Child Care bill which I believe is in your --

SPEAKER FOLEY: We have some, you know, perhaps, Governor, we have some difference of opinion in the House about how to proceed with the Child Care bill, and there is some degree of jurisdictional dispute which I hope will be resolved in the coming week or ten days. If it's not, I intend to bring, do what I can to bring the Child Care bill to the floor and let the House decide. That may lead us to some rather tough and difficult votes and some perhaps even
angry disputes on the floor of the House. But one way or
the other, I am determined to move a Child Care bill to a
conference with the Senate this month or early next month.
And if it can't be done with what I hope will be an amicable
arrangement, it will be done simply by having the bill
brought to the floor and having those issues decided. As
you know, it's a question of whether we treat the bill as a
so-called ABC approach to it, or with a broadened
entitlement section. Some combination of both, I think is
the most likely to emerge.

GOVERNOR KUNIN: I could add to that, as a
thought, at the state level, we are very much counting on
action in that area and wish you every success of getting a
strong bill approved.

SPEAKER FOLEY: I think that's one of the
absolute must-pass bills as far as I'm concerned this year.

GOVERNOR GARDNER: Governor Ada from Guam.

GOVERNOR ADA: Mr. Speaker, I was interested in
your statement with respect to military closings of bases,
especially overseas. We have in Guam two military air bases
and as a result of the recent decision to deactivate the
B52s at Anderson Air Force Base, it certainly has adversely
impacted our economy. In that regard, sir, there were many
other military reductions that were occurring in Guam during
the past few years. It is our hope that Congress, and also
this National Governors' Association will support the resolution that I am about to ask the Association to consider.

That there will be a consolidation of the two Air Force facilities, one, the naval station base in Guam, to be consolidated with the Anderson Air Force Base in Guam and dedicating over the Naval Base facility to the Guam International Airport facility for us to expand at this particular period of time because we need the additional real estate to expand our facility and thus alleviate the impact caused by the military deactivation of the various facilities and operations in Guam.

I hope that I can get your consideration there and support.

SPEAKER FOLEY: In these changes, of course, some increases in base activity will probably result as well. I think our talks with the Philippines are reaching critical stage on the continuation of Clarke Field and Civic Bay base rights in the Philippines. I think that there's a view in the Congress that unless those negotiations can be satisfactorily concluded, meaning without excessive cost to the United States and with a clear political mandate by the Philippine Government to continue them, we ought to move the bases from the Philippines to American soil. The most likely place may be Guam. So I wouldn't put it beyond the
possibility that we'll be enlarging military facilities in Guam in the coming years.

GOVERNOR ADA: Mr. Speaker, I'd just like to --

SPEAKER FOLEY: I understand that's not what you're asking.

GOVERNOR ADA: What we're saying is that we're willing to entertain such a discussion. This has never been brought to us or with respect to --

SPEAKER FOLEY: Well, I'm not making this decision, you understand.

GOVERNOR ADA: -- we're willing to do our share, as we've done for many years, but I'd just like to address yourself, Mr. Speaker, that there are ample facilities in Guam, especially Anderson Air Force base and there are two other airport facilities in Guam that were never used for ten, 15, 20 years that can be adequately used by any potential fallback. And I also want to note that the operation with respect to the Air Force activities at Clarke Air Force base has to do with air to land exercise, and they can't do that on a small island in Guam where they can't practice shooting, you know, at a little piece of real estate that our people are staying on.

(Laughter.)

GOVERNOR ADA: In the Philippines, they can do that because they have an enormous mass of property that
they can target. And I appreciate very much that these are
considered during the deliberation of any contingency
fallback to Guam.

Thank you.

GOVERNOR BRANSTAD: Governor Roemer of Louisiana
is next.

GOVERNOR ROEMER: Mr. Speaker, how are you doing?

On behalf of the governors, I'd like to ask your
help in an attempt that we're trying to make to deregulate
some of the education grants and funds, as well as JTPA.
When we met in Charlottesville with the President last
September, one of the items on our agenda with which the
President agreed was that if funding was going to be
difficult, one of the early victories we might have is to
share full accountability at state level but give us a
little more flexibility with the Federal funds. Without
naming names, and I won't do that, we're having a problem in
the Congress even getting the deregulation issue considered.
And I'd like to ask, on behalf of our governors, your
assistance in that. Respecting your Committee Chairman,
which I do, and I won't mention Gus' name at all.

(Laughter.)

GOVERNOR ROEMER: But and we're not asking you to
write the legislation for us. But we'd like a cooperative
hand with us. It's a victory for our children and it
doesn't mean anything from the taxpayers except better use of their money.

SPEAKER FOLEY: I'll discuss with the Chairman your concerns. We'll see what we can do.

GOVERNOR ROEMER: Thanks, Mr. Speaker.

GOVERNOR BRANSTAD: Governor Jim Thompson from Illinois.

GOVERNOR THOMPSON: Mr. Speaker, I'd like to go back for a moment to the new math and the peace dividend. I'm confused, I guess. Is there expected to be absolute reduction in defense expenditures from the base in either the near term or the long term, which I would call dividend, or is there expected to be a reduction in growth of defense expenditures which would lead you to the choice of spending that money by continuing to borrow it or not spending it and reducing the deficit automatically?

SPEAKER FOLEY: I think over time an absolute reduction. Now, in the immediate future, in this current budget year it's very difficult, even though you begin the process, to realize immediate gains because bringing troops home from Europe, for example, they have to be quartered somewhere and all those things have to be adjusted in the new budget. But over a five-year period, I think we're increasingly going to be looking at budget problems in that broad spectrum. I think there are very significant
reductions including absolute reductions in defense spending.

GOVERNOR GARDNER: Governor Blanchard from Michigan.

GOVERNOR BLANCHARD: Yes, thank you. Thank you, Mr. Speaker, for being with us.

I think it's also fair to say to Governor Roemer, that we need to make sure there's more flexibility with the U.S. Department of Education, as well; not just members of the Committee. But I have something else I wanted to mention.

As we all watch the developments in Eastern Europe, Latin America and Africa, I think it's important for you, as the Speaker, and the Senate majority leader in Congress, along with the President to find some serious way that our country can celebrate the success of 45 years of a strong bipartisan foreign policy, a policy I know you had some very strong hand in with Scoop Jackson, and the previous Presidents. But really when you think about it, beginning with Truman and extending right up through President Bush, the Congress and the Presidents have succeeded in providing the framework and the support and the stability all over the world for freedom to break out.

And I think it's important for the American people to understand that after 45 years of this, we have
succeeded, and enjoy it in the sense that people have
sacrificed for years; through wars, foreign aid, incredibly
creative programs, whether it was the Marshall Plan or right
up until arms control negotiations. I think it's really
important for our country to understand that we've
succeeded.

And the changes in Europe and elsewhere now allow
us to make some changes here. That I think you can address,
not in bits and pieces with child care and this and that and
the other, but I think you need to address that overarching
issue that as to how we bring about the changes here
domestically to allow us to invest in our future. Then you
can quibble or argue about what that peace dividend is. But
I don't think there's any doubt that there's new emphasis in
America at home for its future as a result of your success
and the success of presidents and other congresses. And
it's worth celebrating and emphasizing, and not tinkering in
the margin.

SPEAKER FOLEY: Well, I agree with that. I
think, in addition, it's something that the public in
general should be credited for because in the last 40 years,
we have had really literally no political disagreement of
any consequence in supporting NATO, in supporting the
efforts that we've had to undertake as a country to meet the
military challenge, to meet the political challenge of the
Soviet Union and other adversaries.

The one slight problem I think we need to also address is that our responsibilities do not end internationally with the celebration of these elections in Eastern Europe. It isn't going to be possible for the United States simply to say, well, that's a job well done; Now we'll go totally to domestic concerns. We still have an international responsibility. Some of these states are going to need, cooperatively with other countries, U.S. assistance and support. In the case of Nicaragua, for example, we ought to at least, in my judgment, be able to do what we can to support the fledgling democracy in Nicaragua that we did in an attempt to overthrow the government by military force.

But we have a broad opportunity to make a start here in addressing our problems at home, our particular problems. I didn't try to go through and catalog them. I think there is a physical infrastructure problem, an education one, a health dimension to this that we need to work on together. In some respects, I've been proposing things that are not popular in this group and I'm not going to thrust them on you.

But I, without much success, have suggested that I think the Federal contribution to the infrastructure is going to require an increase in Federal gasoline tax. We
have the lowest energy taxes in the world, taking state and federal together, and the federal tax is not at the level where it once was and, as you know, was not raised for very many years. That currently has no support in the White House; little support in the states and, I would gather, probably no support here, but one of the things we're going to have to be discussing as we move into these undertakings.

I'm in favor, as I've said, of exhausting the trust fund and, for now, I guess we can resolve to do that. After it's exhausted, we'll still have a heavy fiscal deficit that will have to be dealt with in some way. And from the Federal side, I think that requires some new revenues.

GOVERNOR BRANSTAD: Governor Bangerter of Utah.

GOVERNOR BANGERTER: Yes, Mr. Speaker, appreciate your being here.

And relative to the gas tax, I think we'd have a lot more comfort with it if if we thought in terms that it will be identified purely for highway construction.

SPEAKER FOLEY: No, no. That's what I'm proposing.

GOVERNOR BANGERTER: And I think that's what you're thinking about.

I wanted to pick up a little bit on what Governor Sinner said and also what Governor Roemer said about the
mandates. We know that you're faced with the same challenge as we are when it comes to health care costs, the increases there. And if you pick them all up, we don't share; we understand that although the mandates give us great trouble and I share Governor Sinner's view.

On the education area, we've had a lot of debate here between us, a little bit partisan from time to time about whether we should have more money for education, or whether we should continue that as a primarily state responsibility. I think we'd feel a lot more comfortable about the Federal Government putting more money into education if you would back off the mandates. There's a great fear that the more money you put in, the more mandates we'll receive, the more program requirements we'll have. So I'd just make that plea that if you will give us that help which, I think we're unanimous around this table in desiring that have those requirements freed up and have that greater flexibility, then we can look more comfortably towards the partnership that you essentially called for this morning, and maybe identifying more money for education. I predict none of us will turn it down, if you find the money to give us.

(Laughter.)

SPEAKER FOLEY: Again, I want to repeat, I don't think money is the complete answer. And I'm very reluctant
to have that suggestion that all we need to do is increase federal spending for education, state and federal spending.

On the other hand, I am troubled, as I have said, by the fact that the Administration, when they talk about federal spending put the United States second among all nations of the world in total spending for education. That is true only if you include all higher education spending where we spend rather more than other countries, and if you take certain other statistical liberties with the result. And I think that perhaps is not the way to look at the education problem now through the kind of sanguine glasses of assuming that the United States is ahead of most of our competitors in education spending. It's not true if you look at that critical cage of kindergarten to twelfth grade area.

But, in any case, it's been a pleasure to be here. I hope that we can find ways to work more effectively together. I certainly will take the message on the mandates back to my colleagues in the Congress. And we welcome whatever ways we can find in the Congress to work together with the National Governors' Association in meeting our common challenges.

Thank you very much.

(Applause.)

GOVERNOR BRANSTAD: Speaker Foley, we are proud
of the integrity that you bring to the office of Speaker, both for your forthright presentation and your responsiveness to the questions of the Governors' Association. We look forward to working with you and with your colleagues in the Congress.

At this point, I'm going to call on Governor Jim Thompson from Illinois to report on the Task Force on Global Climate Change.

GOVERNOR THOMPSON: Thank you, Mr. Chairman. Well, you gave me an exciting topic to explore in my last year as Governor. And far from noncontroversial, as well, I might add. Thank you very much.

I began knowing nothing about global warming and now after six months of effort, know less.

(Laughter.)

And there may be a message in that. I'm sure my task force will be looking to see if knowing less than we do at the beginning tells us something. In any event, we've been working hard. We began at the United Nations with our first task force meeting where we heard from all the experts who absolutely conflicted with each other. We heard an address by Prime Minister Margaret Thatcher on this issue, as well.

We moved on to Sacramento, California, with great
assistance from Governor George Deukmejian, and looked at alternative renewable sources of energy, in this case, a photovoltaic system. We go next, under the sponsorship of Governor Roemer, to New Orleans to talk about projected sea level rises in the event of significant warming. And then we move, for our final field meeting, to the state of our Vice Chairman, Governor Kunin of Vermont.

In the mean time, we held a meeting yesterday, two and a half hours, of the task force which was attended at one time by eleven governors, including you, Mr. Chairman; thank you for your appearance. And heard from a panel of Administration experts, environmentalists and representatives of business sector. And so we hope to have, and in fact, we will have our findings and goals on the issue of global climate change ready for presentation to you, Mr. Chairman, at the annual meeting in Mobile.

GOVERNOR BRANSTAD: Governor Jim Thompson, thank you very much. I appreciate having your experienced and capable leadership taking on this very challenging and very important issue.

And now, for purposes of an introduction, let me say, first of all, we are pleased to have a former colleague who is a distinguished leader in the environmental movement as a guest speaker. And to introduce him, I'm pleased to introduce the Governor of the State of Delaware, Governor
Mike Castle.

GOVERNOR CASTLE: Thank you very much, Mr. Chairman. And congratulations to you, sir, on a very successful meeting, which we have just gone through.

Russ Peterson was the Governor of the State of Delaware from 1969 until 1973. He is noted as the Governor who converted the state government in Delaware from the commission form of government to a cabinet formation in our state, something for which many of us held him and something for which many people still talk about him, because it's always a problem in our state, even today, as you and I both know.

As the Governor of Delaware, he was responsible for the passage of something called "the Coastal Zone Act." You must understand -- this is a geography lesson -- that Delaware is 100 miles long altogether, but 100 miles of our length is along the Atlantic Ocean, the Delaware Bay, and the Delaware River. And Russ Peterson was responsible, almost singlehandedly although with the support of a lot of others, when he got a ruling for passing this Coastal Zone Act, which prohibited industrial development of that area, something for which he has been hailed and should be hailed throughout the world, because it has made a great difference in the environment and in our state.

From 1979 to 1985, he was the President and Chief
Executive Officer of the National Audubon Society, and he worked to focus the environmental movement of a long-term global and holistic approach to quality of life issues. He was a prime mover of the creation of the "Global Tomorrow Coalition," that centered on the Consequences of Nuclear War and a better world society. He chaired a project of a group of ten national environmental leaders to develop an environmental agenda for the future, he co-chaired a committee of chemical industry and environmental chief executive officers which helped persuade Congress to support expanded research at ETA.

During 26 years with the DuPont Company, he advanced through management assignments in research, production, and sales, to Director of the Development Department's research and development division which he organized and which was responsible for initiating new business ventures for the company.

As a result of his commitment and work to ensure environmental protection, he has been the recipient of more than 13 national awards including the American Chemical Society's Parson's Award and the National Wildlife Federation's 1971 Conservationist of the Year Award. And he has received 13 honorary doctorates from prestigious universities throughout the United States of America.

Finally, he is the author of numerous
publications in journals and periodicals on population, resources and environment, science and technology, public administration, commercial development, criminal justice, world affairs, citizen action, technology assessment and education. And to me, he is a beacon that there is light after being the Governor of the State of Delaware.

(Laughter.)

GOVERNOR CASTLE: So I am very pleased to introduce to you, today, former Governor Russell Peterson, Dr. Russell Peterson.

(Applause.)

DR. PETERSON: Thank you, Governor Castle, my friend, for that generous introduction.

Governor Branstad, distinguished governors, good morning every one. It's good to be back at a National Governors' Association meeting. I remember well my first meeting with National Governors'. It was back in December of 1968 after I had been elected but not yet sworn in. We met in California. Governor Reagan was the host. The first night, we drove to a beautiful canyon, where we mounted horses to ride to a barbecue. As we assembled, my horse wandered seemingly uncontrollably. I had never heard of western reins, nor had the horse that I rode on a farm in Wisconsin. Ronald Reagan and Nelson Rockefeller on their horses were chatting. My horse moved over and nudged in
between their two horses. I was really embarrassed. And
ever since, those two segments of our party have been split.

(Laughter.)

DR. PETERSON: Thank you for the opportunity to
suggest how you governors might expand your important role
in addressing national and global, international
environmental problems. I know all of you are much bowed
with such concerns, and some of you are out front in dealing
with it; providing bold and innovative approaches.

The problem is of such crisis proportions,
however, that it calls for all fifty of you to bring the
full power of your offices to bear in moving environmental
concerns to the forefront of the national agenda.
Certainly, that it where it belongs, for the quality of all
life on earth is increasingly threatened by a powerful and
growing ecological force. We humans are that force, ever
more of us, using ever more materials, assaulting the
environment with ever more machines, chemicals, weapons and
waste.

One handicap of environmentalism is that it is
concerned primarily with the future; mostly the long range
future while most decisionmakers, in and out of government,
are concerned primarily with the present. Now that we are
catching up with the fringes of that future, its symptoms
become problems of the present and increasingly gain
attention of the decisionmakers. Suddenly, nearly everyone is an environmentalist. However, the extreme nature of the impending crisis is still not comprehended by many people. It calls for people with authority, like you governors, the President and the members of Congress, to provide the vision necessary to articulate the threat, and the boldness to invest resources today so as to earn a more secure future.

Let's review what we homo sapiens are doing; poisoning our air, water and food, the essentials of life; changing the climate, destroying the life-protecting ozone layer; eroding the soils, deforesting the earth, spreading the deserts, wiping out other species, destroying wild areas, raining down acid, oiling the waterways, fouling the beaches, manufacturing radioactive waste, despoiling parks and refuges. The prime cause of all of this is exponential growth, growth both in the number of humans and in the use of natural resources.

We need to give more attention to the kind of growth we want, growth in the quality of life of the individual or growth in a community, it's goods and services. Growth in the former is slipping. The number of people worldwide living in absolute poverty, a condition below any reasonable definition of human decency, has now grown to 1.2 billion. As they scrounge for a living, they are destroying the resource base on which their livelihood
is dependent. Among them, 40,000 children die each day from
causes readily avoided in more affluent countries. No other
tragedy comes close to this one. At the same time, the rich
all over the world are getting richer, using ever more
resources, each having many times the impact on the
environment as one of the poor.

The world population has more than doubled since
World War II, and is now growing in absolute number faster
than ever before, approximately 90 million more this year.
The world economy has grown more than five fold since World
War II, and is projected to grow five to ten fold over the
next half century, and that is over the remaining life time
of today's universities' students. The cumulative impact on
the environment of these two forces provides an awesome
challenge to state, national and world leadership.

All is not gloom and doom, however. Much of what
needs to be done to further our mutually assured survival is
known. What is required is the will to apply existing
resources to do the job. Twenty years ago growing concern
about the environment, triggered in part by Earth Day
demonstrations, set off a stream of action at all levels of
government. Much progress was made. Then came the 1980s
when the Federal Administration abandoned its leadership in
this field, turning the clock back on environmental
protection.
State governments have done much to fill the breach; the private organization, Renew America, with the aid of your Chairman, Governor Branstad, is reporting in a study called "Searching for Success," the many programs the states have instituted. It is an impressive list. Renew America's rating of the states over the past three years placed California, Wisconsin, New Jersey, Massachusetts, Oregon and New York out front. No level of government can do the job alone. We need political leadership that will turn on the whole world, public and private groups, to this task.

The recent flurry of international conferences and protocols on environmental issues and speeches by world leaders, such as President Bush, President Gorbachev, and Prime Minister Thatcher have been encouraging. Secretary Baker's speech here, yesterday, was a welcome recognition of global environmental problems. President Bush has made a number of good moves for protecting the environment. Appointing Bill Reilly to head EPA, starting to rejuvenate the Council on Environmental Quality which I used to head, supporting a stronger Clean Air Act, and asking for increased funding in 1991 for soil erosion, or I better say for soil conservation, reforestation and research on climate change.

This increased funding, however, comes from
cutting other environmental programs by an equal amount.

Although EPA's current budget in constant dollars is what it was ten years ago when EPA had half its current workload, the President's 1991 budget actually cuts EPA's total funds in constant dollars by three percent. They also cut in half the Department of Energy's program in Energy Conservation, and slashed the budget for public transportation. The jury is still out on whether or not President Bush will become the environmental president. It is urgent that he do so. But to do so, he must make his budgets match his words.

Poll after poll shows that the people of our country, 75 percent or more, believe protecting the environment is very important. And a majority state that they are willing to pay more to protect it. This is a potent latent force waiting to be mobilized by committed political leadership. As you know, next April 22nd will be the 20th anniversary of Earth Day. Many organizations all around the world are working to plan major activities that day to launch the decade of the environment. Millions will be involved here in the United States. Nearly every community and campus will participate. I believe a tremendous sustained surge in the environmental movement is about to occur, raising environmental concerns to the top of the national agenda.

What are the requirements for the necessary
environmental actions? First is a moral commitment to the task, and then the political will to put up the resources to do the job. No token appropriation will suffice. What is required by our Federal Government is, as a starter, an increase in funding of at least $50 billion per year. States need to think big, too, like Governor Cuomo is doing in pushing for a $1.9 billion bond act to acquire and save critical natural areas for future generations.

Additional funds are needed for national and global programs to reduce population growth, further more efficient use of energy and develop renewable sources of energy, reforest the earth, promote alternative forms of agriculture, acquire and protect critical habitat, encourage development of industrial processes and lifestyles that avoid the production of waste, recycle and recover materials, clean up the inherited pollution and educate people to think comprehensively, globally and long term.

Each of you has experts working on most of these issues. You don't need me to run through this long list, advising you what to do. I will use my remaining time this morning to focus on issues which I believe are most in need of increased attention. I hope, however, that some of your staff will take the time to read the longer paper that I have prepared.

First, it's essential to all of us on earth that
population growth be stopped as soon as possible. Even at the current population level of 5.3 billion, the rate of degradation of the resource base on which life is dependent is so great that it is questionable whether human kind could provide a decent quality of life with this number on a sustainable basis. The Reagan Administration's cutting off all of the United States' major funding of the two most effective international family planning agencies was a serious blow to population stabilization, as was the recent veto by President Bush of Congress' attempt to correct this policy. By withholding these funds, the United States has denied millions of poor women the means of avoiding unwanted pregnancies, thereby increasing abortions and the birth into absolute poverty of large numbers of children who will suffer and die from hunger and neglect.

We must convince our Federal Government to markedly increase family planning and other socioeconomic aid and to fund research on new contraceptives. This environmental program so vital to all life must not be ignored.

The second environmental issue I wish to highlight is the need to face up to the future development and use of energy, so basic to our way of life, but after population growth, the most serious cause of environmental deterioration. Of particularly concern today, as you well
know, is the burning of fossil fuels. It leads to urban smog, acid rain, oil spills, and the greenhouse gas carbon dioxide, all of which are increasingly demanding your attention.

By far the best route to cope with these problems and the best single protect-the-environment effort the states can undertake is to further the soft energy pad. And that is to develop more efficient use of energy and renewable sources of energy. It is also a key to reducing energy costs, making industry more competitive, reducing oil imports, and reducing the need for nuclear power with its attendant nuclear waste and nuclear weapon proliferation problems.

As a result of Federal, state and local programs and efforts in the private sector, impressive progress was made in the 1970s and early '80s in using energy more efficiently. Now we use 25 percent less energy per dollar of GNP than we did in 1974. A major broad based soft energy program launched by our Federal Government in the 1970s was scuttled in the 1980s. Although some of President Bush's team now thought positively about this program, his 1991 budget cut its funding once again. We need the Federal Government and all 50 states vigorously pushing this top priority program.

There is a major stake in getting electric
utility companies to invest heavily in helping residential and commercial buildings to install energy saving facilities. However, the way electricity rates are now established, the utilities have an incentive to sell more electricity and a disincentive to save, although some states, following California's example, now allow rate increases to cover losses from conservation. I believe that progress toward maximizing the more efficient use of electricity would be mightily accelerated if the states established in each area now assigned to the current electric supply utility, a new public conservation utility with the authority to raise funds and invest them in energy conservation projects. The state public service commission would then decide whether to approve the current electric supply utility's request to build more generating facilities or the conservation utility's request to invest in energy efficient facilities.

Solar energy is the renewable natural resource which promises to provide the key to our energy future. Already it provides commercially in the United States more energy than nuclear plants at prices competitive with oil and gas. California is leading the way in this area. A major long range promise is the use of electricity produced by a photovoltaic generator to electrolyze water, producing the clean burning fuel, hydrogen. I predict that someday,
pipelines and tank trucks will be transporting hydrogen from
the deserts of our Sunbelt states, just like they transport
oil from the oil states today. This development merits
major research funding by state and Federal Government and
private industry. Increased energy efficiency and renewable
source of energy provide the best routes to mitigating the
global warming threat. Through their use, the United States
could achieve a 50 percent reduction in the carbon dioxide
emissions over the next 20 years. Since this development
can be justified by the other economic and environmental
merits I discussed earlier, President Bush and you governors
should push it, in spite of some people's uncertainty about
the global warming theory.

Some of the news in the global warming threat
could justify a born-again nuclear energy industry. Rather
than trying to revitalize this dying horse, we should
vitalize a healthy colt, soft energy. Even if nuclear power
plants could be brought to the dream state of one hundred
percent freedom from accidents and least cost, they would
still suffer from their terminal ailments of nuclear waste
production and nuclear weapon proliferation. The next major
accident in the world's aging nuclear industry will settle
this debate.

Although most business is now getting the message
that despoilment harms everyone's bottom line, some business
leaders, like some political leaders, continue to claim that environmental regulations cost jobs. That claim is now being exposed for the blackmail it is by the growing chorus of financial analysts who see environmental entrepreneuring as the next major growth market. Although some business leaders, like Ed Willard of DuPont, are committing their companies "to performance worldwide that places its environmental stewardship fully in line with public expectations," some at the other extreme continue to violate the community's environmental regulations with little, if any, penalty. Governments need to crack down on these culprits. Let me ask you, who should pay the greater penalty: the executive responsible for dumping poisonous wastes into the community sewer system or the teenager for dumping marijuana into a community neighborhood?

As I stated earlier, if we are to save our global environment, we must be more future-oriented. You know, governments must invest more of our resources today to ensure a decent future. Our Federal Government, over the past nine years, has not been forward looking; it has been living it up today; to Hell with the future, borrowing environmentally and economically from our grandchildren. It is insulting to us citizens of affluent America to be treated as paupers, to be told we can't afford to pay for a decent future. As Paul Volker, Chairman of the Federal
Reserve Board from 1979 to '87, wrote last month, "we are still the largest and richest economy the world has ever seen. There are no inexorable economic or external forces, no new burdens that demand we withdraw from leadership. If it happens, it will be our own choosing."

Now is the time for affluent America to adopt a decade of the environment tax; to apply it to saving the world's environment. A gasoline tax, for example, of one dollar per gallon with gas stamps for the poor would provide $100 billion per year, and at the same time, put market forces to work to further the much needed energy efficiency revolution. Every other developed nation already taxes gasoline well beyond one dollar per gallon. If you governors, the President, and members of Congress would jointly and repetitively articulate for the people the need for some decade of the environment tax to invest in their future, I believe you would find yourselves out front of a glorious parade, a crusade to save the biosphere, or, if one prefers, a crusade to save the creation.

Although I believe that your following the gems of wisdom I have provided today will help save the world, I realize that it could also help to get you unelected.

(Laughter.)

But let me assure you, that latter course isn't so bad, especially when one gets invited back to speak to fifty of
the most powerful and influential leaders in our country.

(Applause.)

GOVERNOR BRANSTAD: Dr. Peterson, I think you've challenged all of us. You've spent 30 years as a scientist and businessman with DuPont Company and I'd like to ask you how the private sector is responding to the environmental challenges, and how we, as governors, can get the businesses in our states to work with us as partners in addressing the environmental challenges that face us in our state.

DR. PETERSON: I think the private sector, industry, has come a long way over the last 20 years. And as I said in my remarks, the business community as a whole now places environmental protection as a priority issue. In fact, the Conference Board recently stated that it was the most important issue that business should be paying attention to.

On the other hand, I know that people still stick to that old myth that environmental protection hurts the economy. You can't have a healthy economy over the long run without a healthy environment. Many more jobs and investment opportunities have been created by environmental regulation than have been lost. In fact, EPA used to keep track of the number of jobs that were lost. When I was head of the Council on Environmental Quality, I worked with them closely on this and it was very hard to find any examples of
where were jobs were lost. I could find a few hundred, mostly with companies that were in such bad shape with out-of-date equipment, they ought to have been shut down for competitive reasons anyway.

But the number of jobs created is large, indeed. You think about the jobs created for putting a catalytic converter on an automobile, producing the platinum catalyst and the aluminum oxide substrate and the stainless steel container, the workers' jobs on the assembly line, and in the filling stations maintaining them. It was a major stimulus to the economy. And what did it do? It produced clean air. I never heard anybody complaining about the manufacture of air conditioners as hurting the economy. What did it do? It produced cool air.

Now, I think we need tougher enforcement at the Federal level and the state level. More people need to be hired in enforcement assignment to see that those companies and that that are still dragging their feet get in line with the current forces at work. But I think that you governors should be looking to businesses as citizens of your state, like you look at individuals as citizens of the state, and see to it that they live up to your objectives, to the state's objectives in providing for a decent future. And I believe you'll find growing support for that view.

GOVERNOR BRANSTAD: Governor Madeline Kunin of
GOVERNOR KUNIN: Thank you for your very outspoken remarks and for your final observation, as well. But I think, personally, that it is also good politics to be a good environmentalist and that the public is very much in favor of strong action. But it is sometimes difficult to create the sense urgency, as you so appropriately pointed out, about an uncertain future. We saw that in the global warming discussion, yesterday, where there's a real question of it's a whole policy of no regrets that the Washington Administration and the President have articulated, saying we're going to go so far but what we can actually see, but we don't want to go further because it would be too big a financial risk and we haven't done the full financial analysis to make us certain. What this hinged around was whether, by the year 2,000, we should have stabilized carbon dioxide according to 1990 standards. This is a real debating point.

How do you get that future vision and commitment to changing the status quo, even if you don't have all the dollars in place, knowing that if you don't act, you may in fact have regrets and you may not be able to reverse the course because it will be too late? How do you get this clear and present danger into the discussion of future possibilities?
DR. PETERSON: Well, I think you get that by people who are the best educators, for better or worse, in our society; and they are the President, the governors and others who articulate the message to the people. I've been working with research people for many years, in large research division, and having been head of the Office of Technology Assessment, I realize that we're never going to get scientists to all agree on the nature of the threat. But we do know -- in fact, as far as I understand, there's no argument about the fact that more carbon dioxide's being emitted, that the amount in the atmosphere has been increasing by direct measurement, that carbon dioxide does absorb infrared radiation of the earth and lead to warming. The argument is over the what will be the magnitude of that warming and what will be some secondary things triggered off by this initial action, and how long will it be before we'd be in deep trouble.

But the states are so tremendous that we need people with the guts to speak out for the need to invest today, to buy the insurance to protect against these tremendous costs, if the theory is sound. And I believe that the only people who can make that judgment and affect the community's decision are people in positions such as you. And I suggest you grab the bullet here and say to the people in the country, this is a major threat. We can't be
sure to what extent it is or when it may occur, but the consequences are so great that we need to move now to do something to avoid. And there are things we can do, which we ought to be doing anyway, just as I mentioned. That under the cloud of this threat ought to be marketed accelerated. I don't mean hundreds of thousands of dollars put into energy efficiency; I mean something like $10, $20 billion put into energy efficiency.

When you think about how we spend like $5 billion on star wars which was a goal sort of like Ponce de Leon searching for the fountain of youth, and contrast that with the piddling amount we put into this energy efficiency, it's ridiculous. So I'd say, let's move ahead with the things we know will have a major impact in this area and get all the benefits we ought to be getting for them anyway. And those things are; push energy efficiency, plant more trees, reduce the burning of fossil fuels, as a result.

I don't know, Governor, if that answers your question, or not. It was an attempt to do so.

GOVERNOR BRANSTAD: Governor Jim Thompson from Illinois. This will be the last question.

GOVERNOR THOMPSON: Governor, one of the issues that keeps arising in the task force discussions on global climate change is the relative percentage of the U.S. contribution to the gases which effect global climate change
versus the contribution of the rest of the world and especially the developing world. And sort of a frustration with the notion that we could, in any reasonable way, get countries like China, the Soviet Union, the countries of South America, to stop burning coal, or indeed encouraging the growth of coal burning in those countries or the deforestation that we see going on in the Amazon, how do we, a rich, prosperous nation tell poor nations of the world that they cannot do those things which we two hundred years ago did to become a rich, prosperous nation? I guess that's the question.

DR. PETERSON: I think by showing leadership. I've dealt with many developing countries on environmental issues and on the population issue. The statement you made is one which was used repetitively, in fact, still is. How are you going to get developing countries that are struggling to reach a higher standard of living to abide by environmental regulations when they are anxious to do as we did in the past, to move ahead economically while we said the Hell with the environment, so to speak. They also said, how are you going to get those countries to reduce population growth?

Well, over the years, the developing countries' leadership has repeatedly shown an understanding of the fact that if they didn't move with processes and equipment that
reduced environmental degradation, that they were going to have more serious problems. And the same thing with the population. They used to be particularly critical of China. Now China has shown the world how you can have a major reduction by education in population growth.

I think that if the United States, through international operations and by the example of our own actions, if we show them how important this is, the developing countries would follow suit. In fact, in many cases, like innovative pest management, China has been out in front in many aspects of that for years. The developing technology saw that a little brazier could get twice as much energy out of a piece of wood as the current ones, which only use five percent of the energy, would double the lifetime of the available forests in those countries.

So I think you need to not assume that those people are stupid in the developing countries. With some understanding and exposure to alternatives, they will go down the same road we want to go down in most cases. So let's be the leaders and teach the world, not only with our words but with our dollars and with the examples of our actions.

GOVERNOR BRANSTAD: Governor Peterson, thank you very much.

(Applause.)
GOVERNOR BRANSTAD: At this time, I'd like to call on Governor Guy Hunt from Alabama, to give us some remarks about the upcoming annual meeting in Mobile this summer.

Governor Hunt?

GOVERNOR HUNT: Thank you, Governor Branstad. And it's certainly going to be a pleasure to have all of you governors down. We hope all of you plan to come. I know some of you are thinking about retiring because you cannot run again, Governor Celeste. We hope that doesn't mean that you won't be down at the meeting because we will try to throw you a good retirement party. You can either do it deep sea fishing or sunning on the beach or eating our seafood or all the other things that the good people --

GOVERNOR CELESTE: Mr. Chairman, count me in.

GOVERNOR HUNT: Well, that seems to be what I need to do. But as you can tell by the reception the other evening, the staff people who are here with the governors, Mobile is very enthusiastic. But this is a big event for us in Alabama and we're just, we welcome with open arms, and we want all of you governors and your aides, as many as ten, to come and stay as long as you can. I know those of you not running next year will have a better opportunity than some of the rest of us. But we will be in touch with you. We will have, as you know, ships available for deep sea
fishing. If you want to come earlier and stay later, the
golf courses, as Governor Carruthers asked about, will be
open. And we will try to make sure that -- we cannot
guarantee the score -- but we will try to do the best we can
to make it the best Governors' Conference we've ever had.
And that'll be our goal, and to have all of you there will
be the first step toward it. And we'll try to do our part
to take it from there.

GOVERNOR BRANSTAD: Governor Hunt, we're looking
forward to your famous southern hospitality. I've been to
Mobile; it's a beautiful city and I think it's going to be a
great conference. And we appreciate that you and your staff
and your state are hosting us, and we'll look forward to
having everybody come to Mobile. And I want to thank you
for the packet of information that you I think gave, you and
your wife have given each of the governors. Thank you very
much.

We're ready to go to the adoption of the proposed
policy positions of the various standing committees and also
suspensions. We will consider the revised and new committee
policy positions that were sent to you on February 9th. You
have before you these committee policy positions plus any
amendments made by the Executive Committee or the standing
committees during this winter meeting. There are several
resolutions. Please note that the resolutions can only
recognize persons, places or events or support existing
policy of the Association; no new policy is adopted by means
of resolutions. These policies and the resolutions will
require a two-thirds vote of those present and voting.

We will take the policies in the alphabetical
order, by committee, and then we will take up the
suspensions last. And you will recall that on Sunday, we
approved the education goals and two resolutions that came
out of the Executive Committee. So the Executive Committee
issues have already been approved by the Association.

To expedite matters, we will vote in bloc on the
proposals of each committee except where there is a request
made to consider the policy proposals individually.
I will ask the Committee Chairs to move the adoption of their policy positions after explaining the policy positions. We'll begin in alphabetical order with the Committee on Agriculture and World Development. And the chair recognizes Governor Mickelson from South Dakota for that report.

GOVERNOR MICKELSON: Mr. Chairman, I appreciate the opportunity to address this issue. I couldn't help, since we ran out of time and I couldn't make a comment when Governor Peterson was testifying. I believe that there are lots of things of the awareness that has been heightened on environmental issues all across this nation is extremely important. And our legislature that just went home last weekend, we adopted a two-year moratorium on surface mining with the cooperation of the mining industry, led by Home State Mining Company and I think that all of the private organizations are to be congratulated on that. As we have talked about education and environmental issues in this Governor's Conference, I think all of those issues permeate each other.

And that has nothing to do with the agricultural rural development policy issue which I'm going to discuss. But I do believe that 1990 promises to be a watershed year for American agriculture and certainly rural development. As we have legislation on rural development that is weaving
its way through Congress. I think that the environmental
issues that permeate those kinds of things is also
exemplified by the attendance at our committee meeting,
yesterday, of Secretary Yettor of the Department of
Agriculture, and Administrator Reilly of the Environmental
Protection Agency, as we understand how in rural areas and
in promoting agriculture in this nation, that we have to be
sensitive to environmental concerns.

The Committee on Agriculture and Rural
Development adopted two amendments to the current NGA
policies and I'll move the policies in a bloc.

The first amends the current policy, numbered
G-8. Agricultural Chemical Safety. And the current law
requires that in order for pesticides to be used on a crop,
it has to be federally-registered for that use. In the
instance of what a registering company considers to be a
minor use, like potatoes in Idaho and tobacco in North
Carolina, the cost of registration may mean that producers
will not have pesticides available for use. The amendment
to G-8 as adopted by the Committee asks that Congress
recognize and address this problem in their amendments to
Federal pesticide legislation.

The second policy amends G-11. The 1990 farm
policy legislation, as adopted this year, will provide a
legislative blueprint for agricultural programs for the next
five years in this nation and it will be debated this year, hopefully early this year. Significant factors beyond the scope of mere agricultural production will influence the shape of that legislation. Interest in protecting and maintaining our natural resource base in agriculture is at an all time high in this nation. The amendments adopted by the Agriculture and Rural Development Committee suggests to Congress a series of changes in current programs that can help farmers strengthen their commitment to the environment, mostly through education, the things that we're talking about in this conference.

The first amendment endorses providing farmers with more options in planning decisions without having them forego federal program benefits. Current farm programs make it harder to farm in an environmentally responsible manner. Now, a program that will increase farmers' flexibility without creating market distortions is called for, and that's what the amendment deals with.

The second amendment then to that, clarifies current farm policy language on the conservation reserve program. The amendment states that environmentally sensitive lands, as well as highly erodible lands should be included in the 45 billion acre potential CRP cap, or goal, I should say. Further, as a means to better coordinate state and federal resources for conservation, the policy
calls for priority to be given to lands identified in state
non-point source management plans.

And the third amendment outlines research needs
for agriculture.

The fourth reiterates that states should have the
primary role in managing water resources and that we should
develop a comprehensive water strategy that recognizes the
integrated nature of water resources, which obviously does
not respect political boundaries. We'd have to work on that
together.

Mr. Chairman, I believe these policies will
represent important and thoughtful suggestions to difficult
issues that are facing Congress, and I urge your support of
the policies, and I move the adoption of Policy G-8
amendments and G-11 as passed by the Committee on
Agriculture and Rural Development.

While I still have the microphone, if I might
also bring something else to the attention of the group. As
we speak here this morning, the Agriculture Committee of the
House of Representatives is marking up a rural development
bill that represents an important policy tool for improving
the economies of small and rural communities. And all of
our states have them. That's bill HR 3581. It's a
bipartisan effort by Congressmen English and Coleman, that
closely parallels NGA policy on rural development. It will
give state and local officials who will give us, and we talk about flexibility and the ability to develop our own priorities, not necessarily with new money, but to make better use of the existing federal money, it will give state and local officials responsibility for prioritizing the use of federal rural economic development funds. And I urge all of you to contact your Congressional delegation in support of this legislation.

Thank you.

GOVERNOR ANDRUS: Second the motion, Mr. Chairman.

GOVERNOR BRANSTAD: We have a motion, and a second from Governor Andrus for the policy positions G-8 and G-11 of the Committee on Agriculture and Rural Development.

Discussion?

(No response.)

GOVERNOR BRANSTAD: All in favor of the motions, signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)

GOVERNOR BRANSTAD: It is approved.

The Chair now recognizes the Governor of Mississippi, Governor Mabus, for the report of the Committee on Economic Development and Technological Innovation.
GOVERNOR MABUS: Thank you, Mr. Chairman.

We do not have any policy positions but we do have one new initiative that I would like to share with the governors. The Committee on Economic Development and Technological Innovation, in joint in connection with the Committee on Human Resources has started an initiative called "Excellence at Work." Governors Deukmejian, DiPrete, Schaefer, and I are co-chairing this. The goal is to create an accident agenda for the states on how to improve the training of our work force. Since the demographics of the work force are changing so dramatically, we are looking at ways to assist business in reorganizing and restructuring their work places. We'll pull together leaders from business, labor, job training and education to share ideas. We hope to direct attention to the most effective role for states and businesses, and also toward evaluating various options for state programs.

We are hosting a luncheon today at 12:30 here with business, labor, education and job training people called the "Governors' Forum on Excellence at Work." We'd like to invite any governor that could attend to please come. We will hold two to three round table discussions between March and May of this year, we will review the suggestions next summer in Mobile. We will meet again with the forum in September to hear suggestions on draft action...
agenda and we will present our final agenda at next winter's meeting here in Washington.

Mr. Chairman, that is our report.

Thank you.

GOVERNOR BRANSTAD: Governor Mabus, thank you very much for your leadership and for that report.

The Chair now recognizes Governor Kunin from Vermont, the Chair of the Energy and Environment Committee, for a number of policies, and I think a resolution, as well.

Governor Kunin?

GOVERNOR KUNIN: Thank you, Governor Branstad.

The Energy and Environment Committee move on behalf of the Committee, the adoption of four policy amendments, two new policy positions and one resolution that is consistent with existing policy. I might make note of the fact that the Committee had the pleasure of hearing Admiral Watkins, the Energy Secretary, gave a very forthright and candid talk about a change in policy in regard to federal facilities. I think we were all reassured that the Administration is going to take a very different approach to cleaning up these facilities and will be very much in keeping with the policy that we adopted.

The policy amendments deal with the control of natural water pollution, assist plastic recycling, recommending a nationwide coating system; made some
technical amendments dealing with degraded coastal waters
and amending our clean air policy to deal with automotive
pollutants.

The Clean Air amendment recognizes the role that
motor vehicle emission play in air quality around the
country. The proposal recommends starting out with expanded
use of cleaner burning reformulated gasoline, which is
emerging quickly on the market, the conversion of fleet
vehicles to alternative fuels, the initiation of alternate
fuels in most urban areas. And a second phase of mobile
source emission standards for the year 2003.

As I indicated, the Committee recommends the
adoption of a significant new policy of the environmental
management of federal facilities. And I'd like to express
our gratitude to Governor Andrus' strong initiatives and the
excellent report that his task force produced on that very
critical subject that affects many many of our states.

The Committee also adopted Governor Branstad's
recommendation on environmental education. And finally, the
Committee recommends a resolution consistent with existing
policy, calling for the development of regional fuel
reserves. Many of our states, both in the northeast and the
midwest and in other parts of the country, during the cold
December, experience real price hikes, shortages. And we're
asking the Congress to act as deliberately and speedily as
possible in implementing these so fuel reserves will be of assistance.

I'd like to, at this point, thank the Committee for its fine work. And I believe Governor Bangerter has a few words to say.

GOVERNOR BRANSTAD: Governor Bangerter?

GOVERNOR BANGERTER: I'll just second the motion.

GOVERNOR BRANSTAD: We've got a motion from Governor Kunin, seconded by Governor Bangerter for the approval of the policies in the resolution.

GOVERNOR BLANCHARD: Mr. Chairman? I'd like to be able to make a comment on this policy.

GOVERNOR BRANSTAD: Governor Blanchard?

GOVERNOR BLANCHARD: I'd like to congratulate the Committee. I think the Chair and the others have worked an awful long time on this, and I plan to support it. But I do want to make one little mention of something related to the phase II tailpipe emissions. There was a possibility that went on again, off again, on again, off again, that the second phase of the tailpipe standards be deemed, or should be deemed to be cost effective and technologically feasible. That language was left out. I'm not sure of all the reasons, but I'd like the language modified to make it a little more reasonable. My concern is that there is some debate as to whether what we mandated will be
technologically feasible and cost effective.

And in addition, I'm worried that leaving those two phrases out, erodes our credibility with Congress, which is, I hope, to enact meaningful clean air legislation. It's not enough for me to offer an amendment, but I do want to render that opinion because I think it takes the edge off what could otherwise be a stronger resolution and one given more credibility with our friends in Congress.

GOVERNOR BRANSTAD: Governor Ashcroft?

GOVERNOR ASHCROFT: I want to second what Governor Blanchard said. I think the deletion of those few words of reasonableness will erode the resolution and make it less acceptable.

Thank you.

GOVERNOR BRANSTAD: Further discussion?

(No response.)

GOVERNOR BRANSTAD: We have a motion which has been seconded, to approve the policies and the resolution coming from the Committee on Energy and the Environment. Those in favor of the motion signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)

GOVERNOR BRANSTAD: It is approved.
And now, with the consent of the other governors, I would take Governor Castle's report on public safety out of order and recognize Governor Castle from Delaware to present the report and the resolution from the Committee on Justice and Public Safety.

GOVERNOR CASTLE: Thank you very much, Mr. Chairman. I appreciate you taking this out of order. I am trying to do my part for the environment by taking a train back to Delaware this afternoon, and trains don't wait for governors, I learned some time ago.

The Committee on Justice and Public Safety actually had a very interesting meeting with four mayors from the Mayors' Conference, concerning national drug strategy and the differences, obviously, in funding that exist with the states and some of the urban areas and local governments who are concerned about the funding going through these states. It was a good exchange, both in terms of the information with respect to what they are doing, what we need to do, as well as some of the issues with respect to the working relationship and the monetary aspects with which they are concerned.

But, obviously, they had the exact same concern, perhaps even a larger concern, because it is so significant on their agenda, fighting drug abuse and trafficking in their cities. Any state that has a large urban area or is
near one, knows what that means, the impact of the drug
problem on their states. So it was a good discussion, and
we did agree to continue to have that dialogue further to
discuss these problems.

We have one resolution before you. It's under
the goldenrod cover for this Committee; it's a resolution
which is based upon our current NGA policy, B-12, on habeas
corpus proceedings, concerns reform of federal procedures
for collateral review of state court judgments.

I move the adoption of this resolution.

VOICES: Second.

GOVERNOR BRANSTAD: We have a second.

Discussion?

Governor Celeste?

GOVERNOR CELESTE: Mr. Chairman, Governor Castle,
I wonder, in considering this resolution, it is clear that
we are not endorsing any particular pending legislation in
Congress. I have received several calls from people in my
state who are troubled by some of the implications they see
in the resolution, if it were interpreted as a resolution
supporting particular pieces of legislation pending in
Congress.

GOVERNOR CASTLE: I believe the answer to that,
Governor Celeste, is that it is not intended to do that, and
does not. But I'm going to defer to Governor Martinez, who
is the sponsor.

GOVERNOR BRANSTAD: Governor Martinez of Florida.

GOVERNOR MARTINEZ: Governor, that is correct, there is no endorsement of any bill that's pending before the Congress; simply the Anti-drug Act of 1988, created to the commission to study habeas corpus for a later report to Congress and then Senators and House members who would proceed to develop legislation. This urges Congress to go about making the decision on habeas corpus; it has no endorsement of any bill.

GOVERNOR BRANSTAD: Further discussion?

(No response.)

GOVERNOR BRANSTAD: All in favor of the motion from Governor Castle for approval of the resolution B-12 from the Committee on Justice and Public Safety, signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Those opposed, signify by saying, nay.

(No response.)

GOVERNOR BRANSTAD: The ayes have it. The resolution is approved.

The Chair now recognizes Governor Celeste from Ohio for the report of the Committee on Human Resources.

GOVERNOR CELESTE: Thank you very much, Mr.
Chairman.

While much of our time was spent, yesterday, in discussion of the issue of health care, how do we assure access and how do we control costs. What we have before us today from the Committee on Human Resources, are three proposed policies of the health care issue, we recognize as one that's going to be a continuing matter of discussion both when are together, Governor Hunt, in Mobile this summer, and next year as Governor Gardner assumes leadership of NGA. So I'd like to simply note that the policies on which we propose to vote include a new a policy which updates our current stated policy on the food stamp program, a new policy on literacy which Governor Carruthers helped us to fashion and is consistent with our efforts in the education arena, and a health policy statement on chronic fatigue syndrome.

I would like to move these policies in bloc on behalf of the committee, Mr. Chairman, and then with your permission, talk about something else when we finish.

GOVERNOR CARRUTHERS: Second.

GOVERNOR BRANSTAD: Governor Celeste moves and Governor Carruthers seconds the end bloc policy positions from the Committee on Human Resources.

Discussion?

(No response.)
GOVERNOR BRANSTAD: Are you ready to vote?
If there's no discussion, all in favor, signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed, signify by saying, nay.

(No response.)

GOVERNOR BRANSTAD: The ayes have it. It is approved.

Governor Celeste?

GOVERNOR CELESTE: Thank you very much, Mr. Chairman.

Also, if I could take one moment, I'd like to call the attention of the governors to a packet of information which is in front of you with a cover letter from me. This is information on the earned income credit. It contains new materials which you can use to publicize the availability of this credit in your states.

I call it to your attention because the earned income credit is a tax credit for working poor families with children. It's designed to offset the regressive burden of payroll taxes on low income working families, and the credit was greatly expanded in the 1986 Tax Reform Act. This credit is pro-family and pro-work where the parents work and support at least one child living at home in order to
qualify. In addition, the credit is targeted to low income workers.

Each of us, as governors, can play an important role, reaching out to help these working families understand they qualify for this earned income credit. It really is important that we, in each of our states, devise a strategy of outreach to alert these folks to this credit of which they're entitled. So I encourage you to use the materials in your packet to let low income families in your state know about the availability of this credit.

Thank you very much, Mr. Chairman.

GOVERNOR BRANSTAD: Thank you very much. That's very helpful to the governors.

GOVERNOR PERPICH: Governor Branstad?

GOVERNOR BRANSTAD: Yes? Governor Perpich?

GOVERNOR PERPICH: I want to take the opportunity to thank Governor Celeste for presenting the resolution chronic fatigue syndrome on my behalf. I wasn't able to be here yesterday. And I want to thank him publicly for presenting that resolution to the Committee.

Thank you very much.

GOVERNOR BRANSTAD: Thank you.

And now the Chair recognizes Governor Tommy Thompson from Wisconsin, the Chair of the Committee on International Trade and Foreign Relations Policies.
GOVERNOR THOMPSON: Thank you very much, Mr. Chairman. Let me also, along with many other governors, congratulate you on doing an outstanding job at this winter meeting.

Before turning to our policy positions, Mr. Chairman, I would like to mention that the Trade Committee had an excellent meeting with Ambassador Carla Hills to discuss the GATT. She asked me to inform the governors that if they have any questions, especially dealing with intellectual property, agriculture or service organizations, as it relates to the GATT and the discussions that are going on now with the Uruguay round, that they should get those information either to me, the NGA, or Carla Hills, directly.

We also had the opportunity to hear from Curtis Kammon, a first class professional at the State Department, dealing with Eastern Europe.

Governor Waihee, our Vice Chairman, led a very interesting exchange on tourism. There's legislation in Congress right now supporting the United States travel and tourism administration. Congressman Luken was there to advise us that if we were interested in this subject, that we should be contacting our respective representatives to support his legislation.

The NGA is also, as you know, Mr. Chairman, planning a trip to Europe to discuss what governors can do
to prepare for EC '92, and to assist emerging democracies in Eastern Europe. Our current plan is that we would be at Brussels on May 29th through the 31st; and would travel to Eastern Europe June 1st through 5th. Each governor, I know, has a letter on the subject but it would be nice if the NGA would be able to be advised as soon as possible what governors want to attend this. It's going to be very interesting and informative and it should be very helpful with respect to the states as it relates to EC '92.

Finally, Mr. Chairman, the Committee on International Trade and Foreign Relations approved two policy positions. The first emphasizes the importance of air service to states in economic development and tourism programs. It says that increased air service should be the primary goal of the United States International Aviation Policy.

The second proposal relates to an area where we now have no policy whatsoever. That deals with the USSR and Eastern Europe. When President Bush met with us in Chicago, he called the governors, America's economic envoys and ambassadors for democracy. He urged us to take an active role in Eastern Europe. Our proposal urges states to increase their contact with these countries. It also supports granting the most-favored nations status to the USSR and to those Eastern European countries that do not
already have that designation. It's a departure from NGA policy but something that I think we should adopt. Prerequisite is their clear commitment, however, to human rights.

Curtis Kammon, who represented the State Department at the meeting, indicated that the text is directly in line with current U.S. policy and something that he urged us to adopt.

I would like to thank Governor Cowper for his leadership on these two policy positions and the work that he did. And I'm pleased, Mr. Chairman, to move the adoption of these two proposals in bloc.

GOVERNOR BRANSTAD: Governor Thompson moves the policies of H-3 and H-5.

Is there a second?

GOVERNOR WAIHEE: Second.

GOVERNOR BRANSTAD: Second, Governor Waihee.

Discussion?

(No response.)

GOVERNOR BRANSTAD: All in favor of the motion, signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed, signify by saying, nay.

(No response.)
GOVERNOR BRANSTAD: The ayes have it. It is approved.

The final committee report will be presented by Governor Kay Orr from Nebraska, Chair of the Committee on Transportation, Commerce, and Communications.

Governor Orr?

GOVERNOR ORR: Thank you, Mr. Chairman. Yesterday, the Transportation, Commerce and Communications Committee approved two sets of amendments for consideration by the full body today.

Let me use this opportunity to thank Governor Tommy Thompson and Governor Jim Thompson and Governor O'Neill for the leadership they provided in developing these proposals.

The first amendment is F-3, that's Air Transportation, would add a second that's identical to the Trade Policy Amendment just mentioned by Governor Tommy Thompson. A policy that says a primary goal should be to expand the international air service through the opening of additional gateways for both passengers and cargo.

Amendments to F-1, transportation policy overview and offered ten principles for national transportation policy that would serve as a basis for the next multi-year highway reauthorization. It also outlines priorities in the areas of highways and transit.
We've been talking quite a bit the last few days about highway trust fund obligation ceiling and this proposal that we offer reiterates our support for the full utilization of the trust fund monies for highway projects. And says that, at a minimum, annual highway obligation ceilings should be set at receipts plus interest. That would mean about $15 billion for the next fiscal year for state highway programs.

Vice Chair Governor Wilkinson of Kentucky, and I, are going to be emphasizing this message to Congress over the next few months, as they consider this year's appropriations and next year's reauthorization. And I encourage each of my fellow governors to work with us in this area that is of vital importance to all states.

I now move the adoption of these proposed policies, as outlined.

GOVERNOR O'NEILL: Second.

GOVERNOR BRANSTAD: Governor Orr moves and Governor O'Neill seconds the proposed policy positions from the Committee on Transportation, Commerce and Communications.

Discussion?

(No response.)

GOVERNOR BRANSTAD: All in favor of the motion, signify by saying, aye.
(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(No response.)

GOVERNOR GARDNER: The ayes have it. It is approved.

We have one suspension. Governor Ada from Guam has a proposed suspension for consideration of a resolution. And let me point out that this will require he's going to introduce it. There will not be an opportunity for debate because suspensions are not debatable. It does require a three-fourths vote to suspend. If the suspension prevails, then it requires a three-fourths vote for approval.

At this time, the Chair recognizes Governor Ada from Guam.

GOVERNOR ADA: Thank you, Mr. Chairman.

The reason for this resolution is requesting consideration from this body for the consolidation of military air facilities in Guam. Guam, given the reduction of military activities, has severely under-utilized the Anderson Air Force Base on the Air Force stationed in Guam.

GOVERNOR BRANSTAD: I'm told by the parliamentarian that you can only move the suspension. I think the resolution has been passed out. You cannot explain it until the body votes on whether to suspend the rules to consider it. That's the advice of the
parliamentarian. So you --

GOVERNOR ADA: I move the suspension, Mr. Chairman.

GOVERNOR BRANSTAD: We have a motion to suspend the rules for consideration of this resolution.

Is there a second?

VOICE: Second.

GOVERNOR BRANSTAD: It's not debatable. it requires a three-fourths vote.

All in favor, signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed, no.

(Chorus of no's.)

GOVERNOR BRANSTAD: The ayes appear to have it and the suspension is agreed to. You can now explain the resolution.

GOVERNOR ADA: Thank you, Mr. Chairman.

For many years, Guam has been affected by the military reduction and most recently the B52s were deactivated in Guam. As a result of that, it has cost us approximately $200 million in gross national product impact and approximately 1500 military personnel may be effected as a result of this action. And, of course, a lot of our local people will be displaced as a result of the deactivation of the B52s.
The naval air station is very under-utilized. There are approximately only six choppers in operation at that facility, which is adjacent to our Guam International Airport facility. And in that respect, we need the expansion of our Guam International Airport facility to meet the growing demands, as well as to establish a maintenance facility to make sure that the safety of the passengers is taken care of.

We don't have a strong maintenance facility to service air carriers in Guam, and it is important that we make sure that we have the necessary facilities and the real estate to expand into this particular area and other airport related concerns.

I want to note for the body here that there are two other military airport facilities in Guam that are not being used and can be used in case of a potential pullback from the Philippines' negotiations, in case it doesn't become a favorable condition for the U.S. Government. The people of the territory are mindful of the fallback and we're willing to do our share. But there is ample space up at Anderson Air Force Base that is grossly under-utilized. As a matter of fact, the general that runs the activities at Anderson Air Force base, specifically, General MacPeak, has publicly stated that they have no problem in the consolidation of the naval air station with Anderson Air
Force Base, so we have gotten support from the Air Force General for this move.

Secretary Cheney, as well, was in Guam recently and saw the need, and is also proceeding with some discussion on this particular matter. So I would like the governors here to please consider our position here. It will help cut the budget deficit and, as well, would help us grow on the private sector.

GOVERNOR BRANSTAD: We have a motion to adopt the resolution. Is there a second?

GOVERNOR WAIHEE: Second.

GOVERNOR BRANSTAD: Second from Governor Waihee. Discussion?

(No response.)

GOVERNOR BRANSTAD: All in favor, signify by saying, aye.

(Chorus of ayes.)

GOVERNOR BRANSTAD: Opposed?

(Chorus of no's.)

GOVERNOR BRANSTAD: The ayes have it. The resolution is approved.

I want to thank all of you for your active participation in this winter meeting of National Governors' Association, for the fine work of the standing committees, and especially I'm proud of the work of our task forces on
education and the two environmental task forces. We are indeed making a difference in building a consensus for change. And I'm proud to say the National Governors' Association are in a forefront position of helping move this nation forward, meeting two of the most challenging issues; that of education, and the environment.

Have a safe trip home.

The Winter Meeting of the National Governors' Association is hereby adjourned.

(Applause.)

(Whereupon, at 11:55 a.m., the meeting was concluded.)