

2-10-1987

## "Leading Montana Forward Together", Address to the 50th Montana Legislature (1)

Max S. Baucus

Let us know how access to this document benefits you.

Follow this and additional works at: [https://scholarworks.umt.edu/baucus\\_speeches](https://scholarworks.umt.edu/baucus_speeches)

---

### Recommended Citation

Baucus, Max S., ""Leading Montana Forward Together", Address to the 50th Montana Legislature (1)" (February 10, 1987). *Max S. Baucus Speeches*. 373.

[https://scholarworks.umt.edu/baucus\\_speeches/373](https://scholarworks.umt.edu/baucus_speeches/373)

This Speech is brought to you for free and open access by the Archives and Special Collections at ScholarWorks at University of Montana. It has been accepted for inclusion in Max S. Baucus Speeches by an authorized administrator of ScholarWorks at University of Montana. For more information, please contact [scholarworks@mso.umt.edu](mailto:scholarworks@mso.umt.edu).

Printing, Graphics & Direct Mail  
ONBASE SYSTEM  
Indexing Form

Senator \* or Department\*: **BAUCUS**

Instructions:

Prepare one form for insertion at the beginning of each record series.

Prepare and insert additional forms at points that you want to index.

For example: at the beginning of a new folder, briefing book, topic, project, or date sequence.

Record Type\*: Floor Statements & Congressional Rec

MONTH/YEAR of Records\*: February-1987

(Example: JANUARY-2003)

(1) Subject\*: Appropriations/Budget

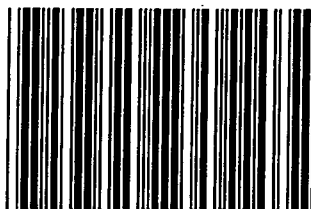
(select subject from controlled vocabulary, if your office has one)

(2) Subject\* "Leading Montana Forward Together"

DOCUMENT DATE\*: 02/10/1987

(Example: 01/12/1966)

\* "required information"



BAUCUS

ADDRESS TO THE 50TH MONTANA LEGISLATURE

By  
SENATOR MAX BAUCUS

~~"LEADING MONTANA FORWARD TOGETHER"~~

FEBRUARY 10, 1987

INTRODUCTION

MR. SPEAKER, MR. MINORITY LEADER, DISTINGUISHED MEMBERS OF THE HOUSE. FELLOW MONTANANS.

IT'S GOOD TO BE AMONG ELECTED COLLEAGUES. I KNOW I'VE COME HERE AS YOU'RE FACING DIFFICULT DECISIONS AFFECTING OUR STATE'S BUDGET AND ECONOMY. I KNOW THE 50TH LEGISLATURE ALREADY HAS BEEN FRUSTRATING. AND I KNOW THAT SOME OF THE TOUGHEST DECISIONS ARE YET TO COME.

I DON'T ENVY YOUR TASK. BUT I AM HERE TODAY TO TELL YOU THAT IT IS NOT JUST YOUR TASK. IT IS OUR TASK: THE TASK OF ALL MONTANANS.

LOOKING BACK

STANDING HERE, I CAN'T HELP THINKING BACK TO THE 42ND LEGISLATURE, WHEN I SERVED WITH MANY OF YOU. I SAT WITH THE MISSOULA DELEGATION. IT WAS THE FIRST SESSION AFTER WE'D ADOPTED OUR NEW CONSTITUTION.

THINGS WERE PRETTY EASY THEN. OUR ECONOMY WAS ON A ROLL. WE HAD REVENUE, AND LOTS OF IT. THE HOTTEST DEBATE WAS WHAT TO DO ABOUT THE BUDGET SURPLUS. THAT'S RIGHT: THE SURPLUS. FRANCIS BARDENOUE'S JOB WAS MUCH EASIER.

~~NOW, OUR ECONOMY SEEMS TRAPPED IN A TIGHT, DOWNWARD SPIRAL, CREATING PERSISTENT BUDGET DEFICITS.~~ THE TEMPTATION IS TO BE PESSIMISTIC.

BUT WE MUST REMEMBER THAT OUR GREATEST RESOURCE ISN'T OUR MINERALS OR FARMLAND -- OR EVEN OUR MAJESTIC LANDSCAPE.

~~OUR GREATEST RESOURCE IS THE CHARACTER OF OUR PEOPLE.~~ IT'S OUR ABILITY TO DIG DEEP DOWN -- TO OVERCOME ADVERSITY AND FIND A WAY, TOGETHER, TO GET ON WITH THE JOB.

PERSPECTIVE: WHERE WE STAND

REMEMBER, MONTANA ISN'T ALONE -- NOT BY A LONG SHOT. HARD TIMES HAVE SWEEPED ACROSS NO LESS THAN 30 STATES, INCLUDING MOST OF THE MOUNTAIN WEST. EVEN FORMER HIGH-GROWTH STATES LIKE WYOMING ARE LOSING JOBS AND PEOPLE.

THERE'S NO MYSTERY TO WHY THIS IS HAPPENING. THE GLOBAL ECONOMY IS CHANGING, AND THAT CHANGE HAS HAD A PROFOUND EFFECT ON MONTANA.

--THE WORLDWIDE GLUT OF AGRICULTURAL COMMODITIES HAS REDUCED U.S. EXPORTS FROM \$44 BILLION IN 1980 TO \$26 BILLION IN 1986. IN THE MEANTIME, WE'VE STOCKPILED ENOUGH SURPLUS WHEAT TO BAKE 22 LOAVES OF BREAD FOR EVERY MAN, WOMAN, AND CHILD ALIVE.

--OPEC IS DESTABILIZING OUR ENERGY INDUSTRY. THE PRICE OF OIL FELL FROM \$25 A BARREL IN 1985 TO \$12 IN 1986. FOR EVERY ONE-DOLLAR DROP, MONTANA HAS LOST \$4 MILLION IN STATE AND LOCAL REVENUE.

--THE SHIFT INTO THE COMPUTER AGE IS REDUCING THE NEED FOR NATURAL RESOURCES. FORTY-PERCENT OF THE PRICE OF AN AUTOMOBILE REPRESENTS NATURAL RESOURCE COSTS. BUT FOR A SEMICONDUCTOR MICROCHIP, IT'S ONLY THREE PERCENT.

--AND ALL OUR FOREIGN COMPETITORS HAVE BEEN INCREASING THEIR PRODUCTIVITY FASTER THAN WE HAVE -- IN THE CASE OF JAPAN, ALMOST THREE TIMES AS FAST. SEVENTY-PERCENT OF U.S. INDUSTRIES NOW FACE FOREIGN COMPETITION. WE'RE IMPORTING TWO-THIRDS OF OUR TVs AND RADIOS, ONE-THIRD OF OUR LUMBER, AND ONE-FOURTH OF OUR COPPER.

## ADAPTING TO A CHANGING WORLD ECONOMY

FOR THE MOST PART, MONTANA ISN'T TO BLAME. SO LET'S STOP BLAMING MONTANA. IT'S NOT ACCURATE. AND IT'S COUNTERPRODUCTIVE.

INSTEAD, LET'S FACE UP TO THE REAL CAUSES AND DO SOMETHING ABOUT SOLVING OUR PROBLEMS.

IN THE FIRST PLACE, MANY OF THOSE PROBLEMS ARE CAUSED BY FEDERAL POLICIES IN WASHINGTON. JOHN, PAT, RON, AND I CAN DO SOMETHING ABOUT THAT. WE CAN CHANGE THE POLICIES THAT STIFLE MONTANA'S ECONOMIC DEVELOPMENT.

TRADE LAWS ARE AT THE TOP OF MY LIST. FOR YEARS, AMERICA HAS PLAYED THE PATSY. WE'VE BEEN NAIVE. WE'VE TRIED TO ACHIEVE FREE TRADE BY EXAMPLE.

BUT OTHER COUNTRIES HAVEN'T FOLLOWED OUR EXAMPLE. THEY'VE PROTECTED THEIR OWN MARKETS. AND THEY'VE SUBSIDIZED THE INVASION OF OURS. JAPAN, FOR EXAMPLE, BLOCKS OUR BEEF EXPORTS. CANADA FLOODS OUR MARKET WITH SUBSIDIZED LUMBER. THE EUROPEAN COMMUNITY HEAVILY SUBSIDIZES WHEAT EXPORTS, AND WILL SOON PASS THE UNITED STATES AS THE LEADING WHEAT SUPPLIER TO THE WORLD. ALMOST HALF OF THE FREE WORLD'S COPPER IS PRODUCED FROM GOVERNMENT-OWNED MINES THAT CAN IGNORE THE ORDINARY RULES OF SUPPLY AND DEMAND. THE LIST GOES ON.

MONTANA INDUSTRIES CAN SLUG IT OUT WITH ANYBODY, BUT NOT WITH ONE HAND TIED BEHIND THEIR BACKS. AS A MEMBER OF THE SENATE FINANCE COMMITTEE, WHICH HAS PRIMARY JURISDICTION OVER TRADE, I'LL BE WORKING TO PRODUCE A SOLID TRADE LAW REFORM BILL -- A BILL THAT INCREASES MONTANA EXPORTS AND CRACKS DOWN ON UNFAIR FOREIGN TRADE PRACTICES.

NEXT, WE NEED TO OVERHAUL OUR FARM POLICY. WE'RE SPENDING \$26 BILLION A YEAR FOR A POLICY THAT JUST DOESN'T WORK.

WE SHOULD BE USING OUR GRAIN TO RECAPTURE WORLD MARKETS RATHER THAN LEAVING IT TO ROT IN GOVERNMENT BINS.

I HAVE PROPOSED A SERIES OF REFORMS THAT WOULD RESTORE OUR POSITION AS THE WORLD'S LEADING AGRICULTURAL EXPORTER. AMONG OTHER THINGS, THESE REFORMS WOULD PUT AN END TO THE EMBARGOES AND OTHER POLITICAL GAMES THAT HAVE MADE US UNRELIABLE SUPPLIERS. THE LIVELIHOOD OF THE AMERICAN FARMER SHOULD NOT BE HELD HOSTAGE TO SHORT-TERM POLITICAL EXPEDIENCY.

FINALLY, WE NEED TO FIGHT CHEAP FOREIGN LABOR WITH SMART AMERICAN LABOR.

FOR YEARS, WE WERE ABLE TO OFFSET LOW FOREIGN WAGE RATES WITH SUPERIOR AMERICAN TECHNOLOGY.

THAT'S CHANGING. WE ARE LOSING OUR TECHNOLOGICAL ADVANTAGE.

- O LAST YEAR, 40% OF ALL U.S. PATENTS WENT TO FOREIGNERS.
- O JAPAN PRODUCES TWICE AS MANY ENGINEERS, PER CAPITA, AS WE DO. AND, I MIGHT ADD, ONE-SIXTH AS MANY LAWYERS.
- O AND AMERICAN KIDS ARE FINISHING DEAD LAST IN MANY INTERNATIONAL EXAMS.

TO TURN THINGS AROUND, WE NEED FEDERAL POLICIES THAT ENCOURAGE INNOVATION AND ENCOURAGE GREATER COOPERATION BETWEEN BUSINESS AND UNIVERSITY RESEARCHERS. WE ALSO NEED TO RESTORE A DECENT LEVEL OF FEDERAL SUPPORT FOR EDUCATION -- NOT JUST MORAL SUPPORT BUT DOLLARS AND CENTS SUPPORT. WE CAN'T HAVE A WORLD-CLASS ECONOMY UNLESS WE HAVE WORLD-CLASS SCHOOLS.

AS CHAIRMAN OF THE SENATE TAXATION SUBCOMMITTEE, I AM WORKING TO IMPROVE THE TAX CREDIT FOR RESEARCH AND DEVELOPMENT AND TRAINING. FOR EXAMPLE, I'LL BE INTRODUCING LEGISLATION TO HELP STATES LIKE MONTANA GIVE DISPLACED WORKERS THE SKILLS THEY NEED IN A CHANGING JOB MARKET.

AND AS CO-CHAIRMAN OF THE COMPETITIVENESS CAUCUS, I AM WORKING TO INCREASE FEDERAL SUPPORT FOR EDUCATION AND TRAINING. I'LL BE INTRODUCING LEGISLATION TO HELP STATES PROVIDE DISPLACED WORKERS THE NEW SKILLS THEY NEED IN A CHANGING ECONOMY.

HERE AT HOME

WHAT WE DO IN WASHINGTON IS ONLY HALF OF IT. WHAT WE DO AT HOME IS THE SECOND HALF. IT'S TIME TO RECOGNIZE OUR STRENGTHS, AND BUILD ON THEM.

IT'S BEEN SAID THAT MONTANA IS "THE LAST OF WHAT'S BEST IN AMERICA." THAT'S BECAUSE OF:

- O OUR INDEPENDENCE;
- O OUR NEIGHBORLINESS;
- O OUR CLEAN AIR AND FLOWING STREAMS;
- O OUR BASIC ECONOMIC RESOURCES;
- O OUR SAFE STREETS;
- O AND OUR STRONG COMMITMENT TO EDUCATION.

WHEN WE BRING THESE VALUES TOGETHER, WE'RE UNBEATABLE. BUT THAT'S GOING TO TAKE VISION, CREATIVITY, AND HARD WORK.

WE SHOULD NOT APPROACH ECONOMIC DEVELOPMENT AS A PAINFUL CHOICE BETWEEN JOBS, ON ONE HAND, AND OUR TRADITIONAL LIFESTYLE, ON THE OTHER. WE SHOULD APPROACH IT AS A COMBINATION OF BOTH. LET ME GIVE YOU THREE EXAMPLES.

THE FIRST IS TOURISM. BY THE YEAR 2000, 35 MILLION PEOPLE IN THE UNITED STATES WILL BE 65 OR OLDER. MANY WILL BE RETIRED, HEALTHY, AND AFFLUENT.

MONTANA IS ONE OF THE MOST BEAUTIFUL PLACES IN THE WORLD. WE ALL KNOW THAT. BUT WE HAVE TO LET OTHER PEOPLE KNOW IT, TOO. WE HAVE TO TELL THEM ABOUT GLACIER, RED LODGE, AND BIG SKY. OTHERWISE, THEY AND THEIR DOLLARS WILL GO TO ALBERTA OR ALASKA -- AREAS THAT ARE PROMOTING THEMSELVES ALL AROUND THE WORLD. IF YOU WERE WATCHING THE NFL PLAYOFFS, YOU PROBABLY SAW THE COMMERCIAL FOR ALASKA VACATIONS. WE'VE GOT TO MATCH THAT.

THE SECOND EXAMPLE IS VALUE-ADDED PROCESSING. WHEN MIT ECONOMIST DAVID BIRCH SPOKE IN BUTTE

RECENTLY, HE SAID THAT MONTANA WAS LIKE A THIRD-WORLD NATION, SHIPPING NATURAL RESOURCES ELSEWHERE FOR PROCESSING. WE HAVE TO ~~BRING THOSE PROCESSING JOBS HOME~~ → THE MILLS, THE PACKING PLANTS, THE FACTORIES.

WE HAVE THE WORKERS AND THE SKILLS RIGHT HERE IN MONTANA. IN FACT, WE HAVE THE ~~FOURTH-HIGHEST RATE OF VALUE-ADDED PER WORKER OF ANY STATE~~. AND COMPANIES LIKE COLUMBIA FALLS ALUMINUM, SEMI-TOOL OF KALISPELL, AND T-BONE FEEDERS PROVE IT CAN BE DONE.

THE THIRD EXAMPLE IS ~~TECHNOLOGY COMPANIES~~. MONTANA IS NOT GOING TO BECOME ANOTHER SILICON VALLEY. BUT WE DO HAVE A GREATER HIGH-TECH POTENTIAL THAN WE SOMETIMES THINK.

MORE THAN ANYTHING ELSE, HIGH-TECH COMPANIES ARE LOOKING FOR A WELL-EDUCATED WORKFORCE. THAT WE HAVE.

- ~~MONTANA HAS THE SECOND HIGHEST LITERACY RATE IN THE COUNTRY.~~
- ~~MONTANA HAS ONE OF THE BEST HIGH-SCHOOL GRADUATION RATES IN THE COUNTRY.~~
- ~~TWENTY-FIVE PERCENT OF THE STUDENTS AT MSU ARE IN ENGINEERING.~~
- ~~WESTERN MONTANA COLLEGE HAS ONE MICRO-COMPUTER FOR EVERY SEVEN STUDENTS.~~
- ~~AND UM HAS PRODUCED 22 RHODES SCHOLARS RANKING 19TH OF 3300 COLLEGES AND UNIVERSITIES.~~

SOME MONTANA COMPANIES HAVE ALREADY BECOME TECHNOLOGY LEADERS. COMPANIES LIKE:

- ~~CHROMATOCEM OF MISSOULA, WHICH IS WORKING WITH THE UNIVERSITY OF MONTANA TO PRODUCE FILTER UNITS THAT REMOVE IMPURITIES FROM DRUGS; AND~~
- ~~RIBI IMMUNOCHEM OF HAMILTON, WHICH HAS DEVELOPED NEW WAYS TO STRENGTHEN THE HUMAN AND ANIMAL IMMUNE SYSTEMS AGAINST DISEASE.~~



TO BUILD ON OUR BASE OF EXISTING COMPANIES  
WE MUST MAINTAIN OUR COMMITMENT TO EDUCATIONAL  
EXCELLENCE. BENJAMIN DISRAELI SAID THAT "A  
NATION'S YOUTH ARE THE TRUSTEES OF POSTERITY."  
MONTANA'S KIDS ARE THE TRUSTEES OF OUR PROSPERITY.

AND, AGAIN, WE ALL HAVE TO BECOME A BETTER  
SALESMEN. LET'S FACE IT. MAJOR COMPANIES JUST  
DON'T EXPECT TO FIND THE FOUNDATION FOR AN AGGRES-  
SIVE TECHNOLOGY INDUSTRY IN MONTANA. THEY STILL  
THINK WE'RE SOME KIND OF ECONOMIC BACKWATER.

SO WE HAVE TO GO OUT AND SELL THEM ON  
MONTANA. LAST SUMMER, FOR EXAMPLE, I INVITED  
SEVERAL MAJOR HIGH-TECH COMPANIES TO BIG SKY TO  
LEARN ABOUT THE POTENTIAL FOR INVESTMENT IN  
MONTANA-- COMPANIES LIKE DIGITAL, ADVANCED MICRO  
DEVICES, AND ABBOTT LABORATORIES,

I CONSTANTLY RUN INTO REPRESENTATIVES OF  
THESE COMPANIES WHO GO OUT OF THEIR WAY TO TELL ME  
HOW SURPRISED AND IMPRESSED THEY WERE BY WHAT THEY  
FOUND. IN FACT, SEVERAL OF THE COMPANIES THAT  
VISITED BIG SKY ARE NOW LOOKING INTO SPECIFIC  
VENTURES IN MONTANA.

WE ALL MUST DO MORE OF THIS. WE MUST BRING  
THE WORLD TO MONTANA, AND MONTANA TO THE WORLD.

### CONCLUSION

ONE OF THE NICEST THINGS ABOUT ADDRESSING  
THIS CHAMBER IS STANDING BENEATH CHARLIE RUSSELL'S  
FAMOUS PAINTING, "LEWIS AND CLARK MEETING THE  
FLATHEAD INDIANS AT ROSS' HOLE."

ONE OF CHARLIE'S OTHER MASTERPIECES IS CALLED  
"PARTNERS." IT SHOWS A COWBOY COOKING HIS MEAL  
OVER AN EVENING FIRE, WHILE HIS HORSE NOSES IN TO  
GLIMPSE THE FARE -- PARTNERS.

THAT'S HOW WE'LL OVERCOME OUR PROBLEMS AND  
ADJUST TO ECONOMIC CHANGE -- AS PARTNERS.

MONTANANS ARE COUNTING ON US -- ALL OF US --  
HERE IN HELENA -- BACK IN WASHINGTON, D.C. WE  
EACH HAVE OUR OWN ANGLE -- OUR OWN SLIGHTLY DIF-  
FERENT SLANT ON THINGS.

BUT IN THE END, MONTANANS ARE STRIVING FOR THE SAME BASIC GOALS. WE WANT DECENT JOBS FOR OURSELVES AND OUR CHILDREN, AND A QUIET PLACE TO HUNT AND FISH.

WE SHOULD EMBRACE THESE COMMON VALUES NOW, AND BUILD UPON THE BEST THAT'S IN MONTANA.

THE PLEDGE I BRING HERE TODAY IS TO DO MY PART. I'LL DO EVERYTHING IN MY POWER TO WORK WITH YOU TO LEAD OUR STATE FORWARD.

THESE ARE TOUGH TIMES. AND DURING TOUGH TIMES, WE HAVE TO SHARE A COMMON MEAL. WE ARE IN FACT PARTNERS.

THANK YOU.