11-18-1987

Billings Chamber of Commerce (1)

Max S. Baucus

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Record Type*: Speeches & Remarks

MONTH/YEAR of Records*: November-1987
(Example: JANUARY-2003)

(1) Subject*: Billings Chamber of Commerce
(select subject from controlled vocabulary, if your office has one)

(2) Subject*

DOCUMENT DATE*: 11/18/1987
(Example: 01/12/1966)

* "required information"
Thank you for the invitation to speak. I really wanted to be here today because I care deeply about the future of Montana, as do all of you.

And I think the future of Montana, like that of our country, is bright -- if, and only if we work together to meet significant challenges facing us.

We are, in my opinion, at a crucial juncture in our history -- both here at home, and across the land.

There is good news on the home front. Montana's resource industries are showing renewed strength.

Beef prices are at the highest levels of the decade; beef producers are more profitable than ever before.
Copper is over $1 per pound, a price many thought they would never see.

We had a record wheat harvest this year; and the Soviets have just made a significant purchase of Montana wheat.

And oil prices, while not at the levels we would like, are showing signs of underlying strength.

But let's not kid ourselves. How many of us here tonight can actually say we are responsible for this good news?

The answer is "none" -- none of us.

Economic forces miles from the mountains and plains of our state control Montana's economic fate.

Decisions that directly affect our lives are being made not only in New York and Washington, but in Tokyo, Bonn, Seoul, and Moscow as well.
It is a sad fact that currently Montana's future does not rest in the hands of you and me, our families and friends; it's controlled by the whims and plans of people we do not know, and some governments for which we do not vote.

It is time for Montana to do something about its economic sovereignty.

It is time for Montanans to take back the reins of our economic future.

It is time we Montanans decide whose vision we want to follow -- our own, or some European or Oriental minister's.

How do we do this? By diversifying Montana's economy with new business -- high technology, value added production, expanded tourism, manufacturing.

Montana must tap America's entrepreneurial resources. We must make a strong, aggressive effort to attract new and different types of business into our state.
And we must look for new, innovative ways to strengthen our traditional resource based industries. We must never forget the trails we have forged in the past, but we cannot ignore the call for a new mission for Montana.

The best and most recent example of the kind of effort we have made -- and must continue to make -- is our effort to attract U.S. West to Bozeman.

Montanans have never done a better job of working together.

Cities across the state united in their support of Bozeman and the Advanced Technology Park.

Educators, legislators, businessmen, and civil servants pulled together as never before.

Local, state, and federal officials coordinated their efforts.
And Democrats and Republicans set their differences aside to do what was best for Montana.

No, we didn't get the project.

But I'll tell you something. From my talks with Jack McAllister and others at U.S. West, we came close. We made a very good impression. And we laid the groundwork for attracting one of the spinoffs that are likely to result at some point in the future.

Now, we must extend the constructive spirit of the U.S. West campaign into other critical areas.

We have to fight for better air service to Montana -- a crucial ingredient for attracting new business to the state.

I wrote legislation that will extend the Essential Air Service program for another 10 years, and which will maintain vital economic lifelines to seven rural Montana communities.
And I have introduced legislation calling for a blue ribbon Presidential commission to examine the effects of airline deregulation and propose some remedies.

In Montana and other interior states, deregulation has been a bust. We suffer frequent delays, cancellations, fewer flights on smaller planes, and reduced safety.

We are going to have to fight for good air service, both here and in Washington. Without it, we'll be left in the dust.

We must put aside flowery rhetoric about education and put our money where our mouth is: our state education system must be our number one priority if we are serious about attracting new business to Montana. The U.S. West experience made that very clear.

President Tietz may get into this issue in greater detail, but just let me say that education is clearly a subject everyone in this room must be concerned with, and be willing to support.
For starters, CI-27, son of CI-27, or whatever you want to call it, should be soundly defeated. This narrow, short-sighted, selfish measure would cripple Montana. It is a bad idea whose time should never come.

Montana's tax system should be overhauled, with an eye toward making this state more attractive to investment and our basic industries more competitive.

I was criticized for calling for the elimination of the unitary tax. Now it has been substantially modified and that is good. We must send signals to out-of-state business that the welcome mat is out in Montana.

Real, solid solutions to Montana's liability crisis must be found, and quickly. Economic opportunities appear for only an instant; they will not wait for Montana to get its house in order. The liability problem is indeed a significant liability for the state.
And we must be more aggressive in bringing Montana to the world. We should not just open a state economic development office in Japan, we must assure it sustained support from the state and our business community. A long term commitment will yield dividends.

Much as the economic engine of America developed those countries, now our partners in the Pacific can help Montana's economy grow the next century. For example, if we get Japan to lower its beef quotas, Montana beef exports to Japan should expand significantly.

Montana must expand its reach across our region as well as across the Pacific. Recently, five states took an important step toward developing a regional approach to economic development.

Business leaders from Montana, Washington, Oregon, Alaska, Oregon, and Idaho gathered in Spokane to kick off the creation of the Northwest Business Coalition. Several of my northwestern
Senate colleagues and I spoke with the group via a satellite tele-conference.

Jim Scott was in Spokane and can tell you how the meetings went. It's clear that our region has many attributes that can work to Montana's advantage.

(stats on trade volume, other regional advantages -- to be provided by seattle chamber/nm biz coalition and the Northwest Policy Center)

In short, working together as a region, as well as a state, is essential to our future prosperity.

The same axiom applies to Washington, where now more than ever we need to work together.

We are facing staggering economic challenges -- the greatest test of this nation's leadership and people since World War II.
The budget and trade deficits will sap the strength and resolve of this nation if left unchecked.

Unfortunately, the stock market crash has not resulted in a crash course in deficit reduction. The signal from Wall Street has not been translated into political will to make tough decisions.

The automatic deficit cuts mandated by the Gramm Rudman law is not the best way to get the job done, but it may be the only way right now.

I think there will be a minimal response to this crisis until the next Administration assumes office in January 1988.

I don't like that scenario. I think everything should be on the table now -- everything!

And I stated on the floor of the Senate on Tuesday -- as I have though Montana -- that we should freeze ALL federal spending for one year.
A straight, across-the-board, fair freeze of spending.

Democrats and Republicans must bury the hatchet on the deficit issue, because if we don't it will surely bury us.

And if we don't come to grips with this problem soon America's destiny will soon be in the hands of our creditors.

The crisis is very real. Payments on the federal debt -- $136 billion in 1986 -- are now equivalent to the total taxpayer savings originally projected from the 1981 income-tax cut.

Entitlements have grown from $200 billion in 1979 to $400 billion in 1986. They totaled $46 billion in 1968.

And we Americans are consuming more than we produce, much more. And the difference is being funded by foreigners -- a bill that will come due painfully and soon.
U.S. consumption per worker has risen by $3,100 over the current decade. Only $950 of that has been paid for by growth in what each of us produces; the rest has been funded by cuts in domestic investment and a river of foreign debt.

These figures come from a sobering article in October's Atlantic Monthly by Pete Peterson, chairman of The Blackstone Group, a New York investment-banking firm. I urge you all to read it.

In six years the United States has burned up more than $500 billion, net, by liquidating our foreign assets and by borrowing from abroad. That is an immense flow of capital, even in global terms.

I don't want America to end up like Great Britain. We won't if people stop trying to place the blame on someone and get to work on the problem.

And work on the problem together -- as a state, as a region, as a country, as a people.
people. Prosperity is not going to happen overnight -- or during the next commercial break. Japan didn't become an economic power in a day, a week or a year. It took a long-term commitment to prudent economic goals -- goals such as an increased savings rate, and more investment in infrastructure, R&D and education.

It took working together for Japan to succeed. I know we can do the same here in Montana. I've seen such spirit first hand.

About once a month I try to schedule a day where I work a shift at a Montana business. This year I've worked in a flour mill, the ASARCO plant in Helena, a talc plant, a hospital, a livestock show, and at the Columbia Falls aluminum plant.

My work experiences in these places convince me that our people have the wherewithal to get the job done. Together -- as business, community and political leaders -- we have to provide the kind of guidance that will inspire the spirit of Montana's people.
Sen. Daniel Inouye: Closing Remarks

Associated Press

Following is a transcript of remarks by Sen. Daniel K. Inouye (D-Hawaii), at the close of Lt. Col. Oliver L. North's session before the congressional Iran-contra committees.

From the beginning of the history of mankind, organized societies, whether they be tribes or classes or nations, have nurtured and created heroes, because heroes are necessary. They serve as a cement to unite people, to bring unity in that nation. It provides glory to their history, it provides legends.

We have many heroes. This hearing is being held in Washington, the city of heroes, the city of monuments. We have hundreds of monuments in this city. In the Capitol, in Statuary Hall, each state has honored two of their heroes or heroines. The State of Hawaii honors King Kamehameha, the warrior king, and Father Damien, who is soon to become a saint.

Then you go further down you'll see the Lincoln Memorial, where we honor a great president for the courage he demonstrated in upholding the brotherhood of men. It wasn't easy during those days.

You then have Arlington, a sacred place. Men you served with and men I served with used that as their final resting place, all heroes. Then you have Lee's mansion. This was the home of the great gentleman from Virginia. We honor him today for his great demonstration of loyalty and patriotism.

And as we get back to the Lincoln Memorial nearby, we see this new and exciting monument: one to your fellow combat men, the Vietnam Memorial. I believe during the past week we have participated in creating and developing very likely a new American hero.

Like you, as one who has felt the burning sting of bullet and shrapnel, and heard the unforgettable and frightening sounds of incoming shells, I salute you, sir, as a fellow combat man. And the rows of ribbons that you have on your chest will forever remind us of your life, sir, certain, will be enshrined by many, many young Americans.

I'm certain we will all of us receive an abundance of requests from young citizens throughout the land for entrance into the privileged ranks of cadets of the military services. These young citizens, having been imbued with the passion of patriotism, will do so. And to these young men and women, I wish to address a few words.

In 1964, when Col. North was a cadet, he took an oath of office, like all... throughout the service academies. And he also said that he will abide with the regulations which set forth the cadet honor concept. The first honor concept—first, because it's so important, over and above all others—is a very simple rule: a member of the brigade does not lie, cheat or steal.

And in this regulation of 1964, the word "lie" was defined as follows, quote: "A deliberate oral or written untruth; it may be an oral statement which is known to be false or a simple response to a question in which the answer is known to be false."

The words, "mislead" or "deceive," were defined as follows: "A deliberate misrepresentation of a true situation by being untruthful or withholding or omitting or subtly wording information in such a way as to leave an erroneous or false impression of the known true situation."

And when the colonel put on his uniform and the bars of a second lieutenant, he was well aware that he was subject to the Uniform Code of Military Justice. It's a special code of laws that apply to our men and women in uniform. This has been applicable to the conduct and activities of Col. North throughout his military career, and even at this moment. And that code makes it abundantly clear that orders of a superior officer must be obeyed by subordinate members, but it is lawful orders.

The Uniform Code makes it abundantly clear that it must be the lawful orders of a superior officer. In fact, it says, members of the military have an obligation to
I find this offensive. I,
Rep. Hamilton: Closing Remarks
Announced Press

Following is a transcript of remarks by Rep. Bruce R. Hamilton (D-Mo.), of the chairmanship by the Select Committee on Foreign Intelligence. Hamilton is chairman of the House select committee investigating the Iran-Contra affair.

Chairman, may I express to you my personal appreciation for the manner in which you have presided over these committees these last several days. You have been firm and fair, you have kept the proceedings moving along, and I think all of us are most grateful to you. Now, Col. North, let me join with others in expressing my appreciation to you for your testimony. And as the chairman has indicated, I will use my time just to give you some of my impressions.

I recognize that a president and those carrying out his policies sometimes face appealing choices, and you've had that, as your share of them. I've never for a moment, over the years that I have known you, doubted your good intentions to free hostages, to seek democracy in Nicaragua, to fight communism and to advance the best interests of the nation. And for many in this country, I think the pursuit of such worthy objectives was enough in itself, or in themselves, and you can even have and you can even have other enemies from all mistakes. Yet what strikes me is that despite your very good intentions, you were a participant in actions that captivated a president into the most serious crisis of his presidency, drove the Congress of the United States to launch an unprecedented investigation, and I think probably damaged the cause, or the cause that you sought to promote. It is not my task, and it is not the task of these committees, to judge you. As others have said, we're here to learn what went wrong, what caused the mistakes, and what we can do to correct them. And the appropriate standards by which these committees will be in whether we understand the facts better because of your testimony, and I think we do, and it's helpful to us.

In your opening statement you said that those hearings have caused serious damage to our national interests, and I wonder whether the damage has been caused by those hearings or by the acts which precipitated these hearings. I wonder whether you would have the Congress do nothing more than has been done to you and me and theodium and ignored. Would we in the Congress then be true to our constitutional responsibilities if it is better under our system to ignore misdeeds or to investigate them behind closed doors, as some have suggested? Or is it better for the American people to be open and try to learn from these? I submit that we are true to our Constitution if we choose the latter course.

These committees, of course, build on the work of other committees, and I think that work is part of our constitutional system of checks and balances. There are many parts of your testimony that I agree with. I agree with you that these committees must be careful and to cripple the president. I agree with you that an our government needs the capability to carry out covert actions.

During my six years on the Intelligence Committee, over 90 percent of the covert actions that were recommended to us by the president were supported and approved. And only the large-scale paramilitary operations, which really could not be kept secret, were challenged. I agree with you, when you said in your opening statement, that you're caught in a strangle between the Congress and the president over the direction of American foreign policy, and that most certainly is not your fault. And I agree with you, that the Congress, whose record in all of this is certainly not unblemished, also must be accountable for its actions.

Now let me tell you what bothers me. I want to talk about two things, first policy, and then process. Chairman Huang has correctly said that the business of these Select Committees is not policy, and I agree with him, but you made such an eloquent and impassioned statement about policy, that I wanted to comment. I am very troubled by your defense of secret areas sales to Iran. There is no disagreement about the strategic importance of Iran or the desirability of an opening to Iran. My concern is with the means employed to achieve those objectives.

The president has acknowledged that his policy, as implemented, was an arms-for-hostages policy. And selling arms to Iran in secret was, to put it simply, bad policy. The policy was constructed and undermined long-hold, often articulated, widely supported public policies in the United States. It required U.S. policy to make no concessions to terrorists, to remain in the Persian Gulf war, and to stop arms sales to Iran. We sold arms to a nation officially designated by our government as a terrorist state. This secret policy of selling arms to Iran damaged U.S. credibility.

A great power cannot base its policy on an untrue without a loss of credibility. Friendly governments were deceived about what we were doing. You spoke about the credibility of U.S. policy in Central America, and you were right about that, but in the Middle East, mutual trust with some friends was damaged, even shattert. The policy of arms for hostages sent a clear message to the states of the Persian Gulf, and that message was that the United States is helping Iran in its war effort, and making an accommodation with the Iranian revolution, and Iran's neighbors should do the same. The policy provided the Soviets an opportunity they have now grasped, with which we are struggling to deal. The policy achieved none of the goals it sought. The ayatollah [Ruhollah Khomeini] got his arms, more Americans are held hostage today than when this policy began, subversion of U.S. interests throughout the region by Iran continues. Restored in Iran, if any there were, did not come forward. Today, those moderates are showing fidelity to the Iranian revolution, not the interest of the United States. Iran. There were and there are other means that achieve that opening which should have been used.

Now let me comment on process as well, first with regard to covert actions. You and I agree that covert actions pose very special problems for a democracy. It is, as you said, a dangerous world, and we must be able to conduct covert actions as

every member of this panel has said. But it is contrary to all that we know about democracy and the checks and balances on them. We've established a lawful procedure to handle covert actions. It's not perfect by any means, but it works reasonably well. In this instance, these procedures were ignored. There was no prescient finding, no probable cause, and no reporting or review of the intelligence community. The intelligence committees of the Congress were not informed, and they were lied to. Foreign policies were created and carried out by a tiny circle of persons, apparently without the involvement of even some of the highest officials of our government.

The administration tried to do secretly what the Congress sought to prevent it from doing. The administration did secretly what we are trying to uncover.

Col. North testified that he and director Casey had agreed up

on the contras using nonappropriated funds. I never hear.

operation from either Col. North, and I certainly

Rep. Lee H. Hamilton (D-Ind.)

"Col. North testified that he and director Casey had agreed up

support the contras using nonappropriated funds. I never hear.
upon a full-service operation to ward of any such full-service

ROBERT C. McFARLANE

and you don't recall whether they were destroyed, as I recall your testimony.

There's no accountability for a $3 million bill sent from the U.S. government property. There is no accountability for a quarter of a million dollars available to you. You say you never took a penny. I believe you. But we have no records to support it. So construct what you say. Indeed, most of the important records concerning these events have been destroyed.

Your testimony points out confusion throughout the foreign policymaking process. You testified that the late CIA Director, William J. Casey, sought to create an on-the-shelf, self-sustaining, stand-alone entity to carry out covert actions—apparently without the knowledge of other high officials in government. You've testified there was an unclear commitment to Israel concerning replenishment of missiles. You've testified that it's never been U.S. policy not to negotiate with terrorists. Yet the president has said the opposite—that we will never negotiate with terrorists. You have testified that a lot of people were willing to go along with what we were doing, hoping against hope that it would succeed and willing to walk away when it failed. Now my guess is, that's a pretty accurate description of what happened. But it's not the way to run a government. Secret operations should pass a sufficient test of accountability. And these secret operations did not pass that test. There was a lack of accountability for funds and for policy, and responsibility rests with the president. If he did not know of your highly significant activities done in his name, then he should have, and I'm certainly here to ask [former national security adviser] Adm. [John M.] Poindexter some questions.

Now the next point with regard to process relates to your attitude toward the Congress. As you would expect, I'm bothered by your comments about the Congress. You show very little appreciation for its role in the foreign policy process. You acknowledge that you were "erroneous, misleading, evasive and wrong" in your testimony to the Congress. I appreciate, sir, that honesty can be hard in the conduct of government. But I am impressed that you were driven by a series of lies—lies to the Iranians, lies to the Congress, and the lie to the American people. So often during these hearings—just during your testimony, but others as well, I have been reminded of President Thomas Jefferson's statement: "The whole art of government consists in the art of being honest."

Your experience has been in the executive branch, and mine has been in the Congress. Inevitably our perspectives will differ ... You said on the first day of your testimony, and I quote, "I didn't want to show Congress a single word on this whole thing." I do not see how your attitude can be reconciled with the Constitution of the United States. I often find in the executive branch, in this administration as well as in others, a view that the Congress is not a partner, but an adversary. The Constitution grants foreign policy powers to both the president and the Congress, and our foreign policy cannot succeed unless they work together. You blame the Congress if the restrictions it approved were the cause of mistakes by the administration, yet con-
Billing Chamber of Commerce (Nov. 18, 1987)

I came tonight and missed notes today because I believe it's critical that we in Billings, in our entire state, and in America finally begin to get serious, stop talking and start acting to solve our economic problems.

We all know the need here at home. I want to begin the obvious:

We also all know that it these problems exist not only Montana and neighboring states, but for we live in a diverse, diverse economy. Some bright spots on the East and West Coasts, but holes in the interior.

natural resource spots such as ours.
We also know that our country has been living on borrowed time. We've doubled our national debt in 6 years. This accumulated deficit in the last 6 years equals the total of all of our yearly accumulated deficits from the birth of our country to 1981. That right debt doubled from $1 T to $2.3 T in the last few years. We are a staggering net debtor. We are more to foreclose than to the so-called basket case of third world debt countries combined. We have become debt junkies. The annual deficit fix
Are we so addicted to debt that 
outside foreign creditors who hold our debt 
are beginning to worry if we will call in the loan unless we get our act 
together & begin to get on the wagon. 
Worse yet, this generation is leaving a 
legacy of debt so great it's becoming 
certain that we will be leaving our children with a standard of living that 
is lower than ours.

The economic problems of Billings, 
of neighboring Montana, of neighboring states, 
and of the nation are interwoven. They also all are
very similar in their solution - they will be solved only with hard work, persistence, good faith, and above all cooperation. We are in this boat together. As Benjamin Franklin said, we either keep together, or we hang separately.

What can we do together?

First, it's important to recognize the good news. (Add good news we keep, oppress,...)

Second, it's critical to remember our strengths. Let we have our
of the best, most highly educated workforces in America.

(Our beauty, life style, etc.)

We've also learned a lot. We didn't win U.S. West's Advanced Tech Center (whatever it's called). But we learned a few lessons.

We learned that cooperative, statewide cooperation is critical. US West CEO Jack McAllister personally told me how impressed he was that Montana settled on one site.
We learned that our state's enthusiasm was very counterproductive. In certain that they came close to coming to Roskam.

We also learned that it went to Colorado primarily because the graduate program better fitted US states' needs.

Translation: it was more extensive.

The obvious lesson: the quality of our state's higher education counts.

And we learned that our service or lack of it makes a difference. Make no mistake, it pays.
Well what do we do?

I believe that "business" and "public servants" must further develop efforts we are already undertaking.

We've regarded (neglected) our citizens

We're beginning to strengthen our service with EBS

I've also introduced a bill to come to study all effects

of airbus bug (need mandate)
We're working on streamlining our ad system (mention Tier 2, who will be preceding us).

We're addressing that issue. Since it we haven't completed task. But we're making progress.

We're shipping Mentone back to Japan. There's a next potential there.

Several of us at NT are organizing with other NW Corp. Expand (spread mention without effect of NE/Midwest Coalition)
What else must we do?

We must get out and learn now — see how other states are changing it to test our ideas. Just as Japanese leaders controlled the world after WW II, adopting the best ideas and discarding the worst, we too have to learn more. Both business and elected public servants.

I've spent many hours talking with Senators, who as former governors of their states, explained how they got out and worked for their states so much so that
they were spent as much time on the road as in at home. Sen.
Fritz Hollings is the best example.

We also must get more aggressive. I'm still very impressed how Gov.
Jacklow of S.D. would repeatedly get on the phone, talk to a
court or business, to either
come to or remain in S.D. It
that gets attention that counts.

Our compassion delegation can work
more closely with each other to try the
government as well. If we
worked together, got priorities, and
all five of us made that telephone call. Not just once or a few times, but however many times it takes. I guarantee it'll make a difference.