

GOVERNOR NEIL GOLDSCHMIDT, PREPARED REMARKS
ASSOCIATED OREGON INDUSTRIES ANNUAL CONVENTION
SALISHAN, OCTOBER 1, 1990

*I listened to you introduce
one audience PO one
in Salem
working*

NOW THAT I AM LEAVING OFFICE:

*one you'd
consider the
legislature
so*

WILL ROGERS SAID THAT ONCE A MAN HOLDS A PUBLIC
OFFICE HE IS ABSOLUTELY NO GOOD FOR HONEST WORK.

*I could
write
w/ghem
it's cheaper
a less
busy
than*

MARK TWAIN READ THE OBITUARY PAGES AND FOUND
THAT AN OLD POLITICIAN HAD PASSED ON. A FEW DAYS
LATER HE WAS ASKED IF HE HAD ATTENDED THE FUNERAL.

"No," HE SAID, "BUT I DID SEND A MESSAGE OF APPROVAL."

*Good friends
Butt
of
new
maha
ARDS
ARDS
ARDS - Ariva
ARDS
Special
session*

OF COURSE THERE WAS THE SATISFACTION OF WORKING WITH THE LEGISLATURE. REMINDS ME OF THE TIME A MINISTER SOLD A MULE TO A NEIGHBORING FARMER. BEFORE HANDING OVER THE REINS, THE MINISTER TOLD THE FARMER THAT THE MULE HAD A GENTLE SOUL AND SHOULD BE TREATED WITH KINDNESS.

SOME DAYS LATER THE MINISTER WAS PASSING THE FARMER'S FIELD AND SAW THE FARMER STANDING IN FRONT OF THE IMMOBILE MULE. THE FARMER TOLD THE MINISTER THAT THE MULE WOULDN'T WORK.

"LET ME SHOW YOU HOW TO GET HIM GOING," SAID THE MINISTER. HE SEIZED A NEARBY TWO-BY-FOUR AND WHACKED THE MULE BETWEEN THE EYES, WHEREUPON HE RAISED UP AND BEGAN TO PULL THE PLOW.

"I THOUGHT YOU SAID TO TREAT HIM KINDLY," SAID THE FARMER.

"YES," SAID THE MINISTER. "BUT FIRST YOU HAVE TO GET HIS ATTENTION."

BEING GOVERNOR IS A GREAT JOB, BUT I HAVE TO ADMIT I WON'T MISS SOME OF THE BURDENS OF THE OFFICE. I TAKE SOLACE FROM THE STORY OF PRESIDENT COOLIDGE, WHO ONCE HAD A GROUP OF GUESTS ON THE PRESIDENTIAL YACHT CRUISING THE POTOMAC. AS HE STOOD ALONE AT THE RAIL, LOOKING OUT AT THE EXPANSE OF WATER, SOMEONE EXCLAIMED, "LOOK AT THAT SLIGHT AND SLENDER FIGURE! LOOK AT THAT HEAD BOWED OVER THE RAIL! WHAT THOUGHTS ARE IN THE MIND OF THIS MAN, BURDENED BY THE PROBLEMS OF THE NATION?"

FINALLY, COOLIDGE TURNED AROUND AND SAID, "SEE THAT SEA GULL OVER THERE? BEEN WATCHING IT FOR TWENTY MINUTES. HASN'T MOVED. I THINK HE'S DEAD!"

INTRODUCTION

EVERY GOVERNOR AS BEST WE CAN TELL HAS SERVED
AMIDST VARYING AMOUNTS OF NOISE AND STRESS ABOUT
CURRENT ISSUES OF THE MOMENT.

THE TEST FOR ALL OF US IS NOT JUST HOW WE MANAGE
OUR WAY THROUGH THESE INEVITABLE HUMAN FRAILTIES, BUT
HOW WE SET OUR GOALS, HOW SERIOUSLY WE ARE COMMITTED
TO ACHIEVING THEM, AND WHETHER WE ARE FUNDAMENTALLY
CAPABLE OF TAKING THE DIFFICULT THINGS AND GETTING
THEM DONE.

OREGON'S ECONOMY: OPPORTUNITIES AND OBSTACLES

0 BUSINESS CLIMATE:

INCOME TAXES -- DOWN

UNEMPLOYMENT INSURANCE -- DOWN BY \$17

MILLION IN 1991 BECAUSE THE TRUST FUND IS

SOLVENT -- LOWEST RATE IN 15 YEARS

WORKERS' COMPENSATION RATES -- DOWN

AT THE SAME TIME, STRATEGIC,

WEALTH-GENERATING INVESTMENT BY YOUR STATE

GOVERNMENT IS UP

0 FOCUS ON SECTORS OF STRENGTH AND OPPORTUNITY

METALS INITIATIVE

OACIS

0 AGRICULTURE/FOOD PROCESSING

OVERLAYING THE REGIONAL ECONOMIC
DEVELOPMENT STRATEGIES IN RURAL AREAS IS A
STRATEGIC PLAN FOR ADDING MORE VALUE TO
CROPS...

FOR STRENGTHENING THE FOOD PROCESSING
INDUSTRY...

AND FOR GLOBAL MARKETING.

0 TOURISM

THE OREGON TOURISM INDUSTRY HAS GROWN
NEARLY FIVE TIMES FASTER THAN THE NATIONAL
GROWTH RATE OVER THE LAST TWO YEARS.

DIDN'T HAPPEN BY ACCIDENT -- TAKES

INVESTMENT AND MARKETING PLAN —

*Oregon
Identity*

AWARD-WINNING ADVERTISING CAMPAIGNS BY THE
STATE TOURISM DIVISION HAVE HELPED TO MORE
THAN DOUBLE THE NUMBER OF TOURISM
INQUIRIES TO THE STATE.

Blazers
Intercollegiate Sports — Pat
Nat'l F.V. — Sports Actions

VISITOR COUNTS TO STATE WELCOME CENTERS
HAVE SKYROCKETED

RESULTS OF STRATEGIC INVESTMENTS: PUBLIC/PRIVATE
PARTNERSHIPS ARE PAYING OFF

TAKE A RIDE DOWN I-84, EAST FROM PORTLAND:

0 HOOD RIVER AND WASCO COUNTY

TOURISM IN THE GORGE IS TAKING OFF

je

STATE HELPED BUILD ACCESS ROAD FOR WIND
SURFERS

0 MORROW/UMATILLA COUNTY REGIONAL STRATEGY FOR
CREATING JOBS THROUGH VALUE-ADDED AGRICULTURE

IMPROVING THE PORT OF MORROW TO ALLOW FOR
EXPANSION OF THE LAMB-WESTON PLANT

BUILDING A CENTRAL PACKING FACILITY NEAR
THE INTERSECTION OF I-84 AND I-82 TO
PROVIDE THE PACKING, HANDLING AND
MARKETING CAPABILITIES NEEDED FOR HIGH
VALUE CROPS

NORPAC

CONTINENTAL MILLS

0 UNION COUNTY

CAPITAL CONSTRUCTION AT EOSC TO CATCH UP
AFTER YEARS OF NEGLECT -- A GREAT ASSET
FOR ECONOMIC DEVELOPMENT IN THAT REGION

0 BAKER COUNTY

LOWEST UNEMPLOYMENT RATE IN A DECADE

NEW RETAIL ESTABLISHMENTS AND CORRECTIONAL
FACILITY

OREGON TRAIL NATIONAL MONUMENT PROJECT

WILL BRING MORE VISITORS TO NORTHEASTERN

OREGON

*Lawrence — 2 day wood products
plant - shutdown
first
in last weeks*

OBSTACLES TO A HEALTHY OREGON ECONOMY -- THE TOUGH

ISSUES ON THE OREGON HORIZON

- 0 IF YOU LIVE IN THE PORTLAND REGION, AND YOU
DON'T HANDLE THE AIR QUALITY AND CONGESTION
PROBLEMS, EVENTUALLY YOU STRANGLE THE ECONOMY

LIGHT RAIL BALLOT MEASURE PASSAGE IS

ESSENTIAL -- ALSO SAVES ENERGY

0 IF YOU LIVE IN A COUNTY THAT IS TIMBER
DEPENDENT, THERE IS NO QUESTION YOU ARE GOING TO
TAKE HUGE HITS.

THE QUESTION IS HOW QUICKLY WE CAN MOVE TO
HELP EACH OTHER -- IT'S THE ULTIMATE
REGIONAL STRATEGY -- IT'S NOT EVERY TOWN
FOR THEMSELVES, EVERY COUNTY FOR
THEMSELVES, IT'S OREGON AS ONE.

IF YOU LIVE IN THE URBAN AREA, YOU'VE GOT
TO QUIT GIVING THESE SPEECHES THAT IT'S
ALL INEVITABLE. YOU'VE GOT TO BE WILLING
TO MAKE THIS STATE FUNCTION FOR THOSE
FOLKS.

LOG EXPORTS (A LONG TIME COMING)

FAILURES OF VALUE ADDED STRATEGY (PULP AND
PAPER) -- MILLIONS OF DOLLARS OF POTENTIAL
ECONOMY.

0 I'M PLEASED THE CANDIDATES ARE TALKING TOUGH
ABOUT CRIME; I'M PLEASED THEY THINK THE
RESOURCES OUGHT TO BE COMMITTED -- AND THE
BUDGET I'M LEAVING BEHIND WILL FULFILL THE
CORRECTIONS PLAN.

0 THAT PLAN IS A ROADMAP. THE ROADMAP SHOWS THAT
WHEN WE ATTACK A PROBLEM, IT GETS SOLVED.

PRISON CONSTRUCTION -- COMING ON LINE, ON
TIME, AND UNDER BUDGET

FOR THE FIRST TIME THE BIENNIAL DRUG
SURVEY OF EIGHTH AND ELEVENTH GRADERS
SHOWS CLEAR EVIDENCE THAT ALCOHOL AND
OTHER DRUG USE IS DECLINING.

HEAD START IS THE BEST DRUG PREVENTION
PLAN IN THE STATE

HEAD START BRINGS ME TO OUR ULTIMATE ECONOMIC
OBSTACLE AND OPPORTUNITY: TO BRING 100% OF OUR
CITIZENS INTO FULL MEMBERSHIP IN THE OREGON
COMMUNITY. TO PARTICIPATE FULLY IN OUR SOCIETY AND
OUR ECONOMY.

THIS MUST BE OUR CHALLENGE, OUR PURPOSE, OUR GOAL. IF WE REALLY WANT TO CUT OURSELVES APART FROM THE PACK; IF WE SERIOUSLY WANT TO DO SOMETHING ABOUT OUR RATE OF PERSONAL INCOME GROWTH, WE HAVE TO IMPROVE THE QUALITY OF OUR WORKFORCE.

THE PLACE WITH THE BEST PEOPLE WINS.

QUALITY OF OUR EDUCATION SYSTEM

- 0 THE SCHOOL FINANCE ISSUE IS GOING TO BE TREATED AS THE DEFINITIVE ISSUE IN EDUCATION. IT'S NOT. IT IS AN ISSUE ON THE TOUGH PROBLEMS LIST THAT OREGON HAS TO TAKE CARE OF.

0 BUT IF WE HAD STABLE SCHOOL FINANCE TOMORROW;
LIMITED PROPERTY TAXES PERMANENTLY; REPLACED THE
PROPERTY TAX REVENUE THAT WE GAVE UP WITH SOME
OTHER SOURCE OF REVENUE -- 90% OF THE KIDS STILL
WOULDN'T GRADUATE.

0 IT STARTS WITH GETTING THESE CHILDREN READY FOR
SCHOOL. IT MAY COME TO YEAR AROUND SCHOOLING
FOR SOME OF THESE CHILDREN WHO CAN'T KEEP UP.

0 WE MUST EXPECT CHILDREN TO LEAVE 5TH GRADE
BETTER EQUIPPED TO MAKE IT THROUGH MIDDLE SCHOOL
AND THEN GRADUATE; IF WE CAN'T SAY THAT ABOUT A
PROPOSED PROGRAM, WE SHOULD ELIMINATE IT.

0 WE MUST NOT ALLOW CHILDREN TO FAIL; WE MUST NOT
GIVE THEM THAT OPTION.

0 THE TEST THAT WE ARE ULTIMATELY FAILING IS NOT
HOW WE PAY FOR SCHOOLS, BUT HOW WE PAY FOR THE
KIND OF STANDARD OF LIVING WE KNOW WE ARE
ENTITLED TO EXPECT IN A STATE THAT CAN ONLY
GENERATE A HIGHER PERSONAL INCOME THROUGH
LITERATE, MOTIVATED, FUNCTIONAL -- INDEPENDENT
-- CITIZENS.

0 THE DEFINITION OF WHO IS IN THE WORKFORCE AND
WHO'S OUT HAS CHANGED TOTALLY.

WHY AT A TIME WHEN WE NEED SKILLED WORKERS
MORE THAN EVER, ARE WE ALLOWING OUR
GOVERNMENTAL BODIES TO PROVIDE INCENTIVES
FOR SKILLED WORKFORCE TO RETIRE EARLY?

WOMEN AND MINORITIES ARE EXPECTED TO
ACCOUNT FOR TWO-THIRDS OF THE INCREASE IN
OREGON'S WORKERS.

IF THE WORKFORCE IS GOING TO BE MORE
FEMALE, MORE BLACK, MORE HISPANIC, MORE
NATIVE AMERICAN, THEN LET'S COME TO GRIPS
WITH THE FACT THAT WE HAVE CREATED AN
EDUCATIONAL MACHINERY THAT WAS PREPARED TO
TREAT THEM AS DISCARDS.

0 OUR APPRENTICESHIP PROGRAMS HAVE TO TURN OUT THE
BEST WORKERS IN THE WORLD.

0 FULLY-FUNDED HEAD START PROGRAM WILL GIVE
THOUSANDS MORE CHILDREN THE SKILLS THEY NEED TO
SUCCEED IN SCHOOL

IT MAKES A REAL DIFFERENCE TO YOU -- IT MAKES A
REAL DIFFERENCE TO THE SUCCESS OF YOUR BUSINESS --
WHETHER A CHILD STARTS SCHOOL BEHIND AND EVENTUALLY
DROPS OUT...

IT MAKES A REAL DIFFERENCE TO YOU IF A CHILD
GROWS UP AND CAN'T WRITE OR SPELL ON THEIR JOB
APPLICATIONS, AND ENDS UP ON WELFARE OR IN JAIL --
BECAUSE YOU WILL PAY FOR IT.

SO, AT THE TOP OF THE LIST FOR US MUST BE THE
ABILITY TO COMPETE, THE WILL TO COMPETE, THE ABILITY
OF OUR CITIZENS TO BE INDEPENDENT.

IF WE WILL DEAL WITH THIS ISSUE, THE TOP TOUGH
ISSUE ON THE LIST, THE REST WILL TAKE CARE OF
THEMSELVES.

HOW TO GET IT DONE -- WHAT TO LOOK FOR IN POLITICAL
LEADERSHIP

0 STOP LOOKING TO SEE IF THEY HAVE A "D" OR AN "R"
AFTER THEIR NAMES. INSTEAD, ASK YOURSELVES
THESE QUESTIONS:

WHO WANTS TO PUT OREGON ON THE MAP IN THE
WORLD MARKETPLACE?

WHO HAS THE ENERGY TO BUILD THE PIECES
NEEDED TO COMPETE GLOBALLY -- IN
EDUCATION, WORKFORCE, CUTTING EDGE
RESEARCH FACILITIES?

WHO HAS THE GUTS TO BREAK THE SPENDING
LIMIT TO REVITALIZE OUR SCHOOLS, TO REPAIR
OUR CRUMBLING ROADS AND HOUSING, TO HELP
OUR CITIZENS FIND PRODUCTIVE JOBS?

YOU OWE IT TO YOURSELVES TO ASK THESE QUESTIONS,
OR ELSE SETTLE FOR A GOVERNMENT THAT BADLY
UNDERESTIMATES THE INTELLIGENCE AND ENERGY OF
OREGONIANS.

OREGON IS ON A ROLL RIGHT NOW. AND THE WAY YOU
STAY ON A ROLL IS TO KEEP INVESTING IN THINGS THAT
WILL CREATE WEALTH.

HERE'S A STORY THAT ILLUSTRATES THE IMPORTANCE OF INVESTING: A WEALTHY MAN WAS GOING AWAY FOR A MONTH AND ASKED A NEIGHBORING FARMER HOW MUCH HE WOULD CHARGE TO BOARD HIS HORSE. THE FARMER SAID IT WOULD COST FIFTY DOLLARS A MONTH AND HE WOULD KEEP THE MANURE. THE RICH MAN THOUGHT THAT WAS A BIT STEEP, SO HE WENT TO THE NEXT FARM. THERE HE WAS TOLD THAT THE FEE WOULD BE FORTY DOLLARS A MONTH AND "WE KEEP THE MANURE." NOTING A DOWNWARD TREND, THE RICH MAN DROVE ANOTHER MILE TO AN OLD RAMSHACKLE HOUSE.

THERE HE WAS TOLD THAT HIS MONTHLY FEE WOULD BE FIVE DOLLARS. AFTER AGREEING TO THE TERMS, THE WEALTHY MAN SAID THAT ALL THE OTHER FARMERS WERE DEMANDING TO KEEP THE MANURE. "WHY DIDN'T YOU INSIST ON SUCH A STIPULATION?" HE ASKED.

"WELL, MISTER, AT FIVE DOLLARS A MONTH, THERE AIN'T GOING TO BE MUCH MANURE."

YOU ONLY GET OUT WHAT YOU PUT IN.

OREGON HAS SEEN 200,000 NEW JOBS CREATED IN THE
LAST FIVE YEARS. THE WAY TO STOP THAT IS TO STOP
INVESTING IN INFRASTRUCTURE. EVEN THOUGH THE
RESOURCES ARE THERE WITHOUT A TAX INCREASE.

PERSONAL INCOME IN OREGON GREW AT THE 10TH
FASTEST RATE IN THE U.S. DURING THE FIRST THREE
MONTHS OF THIS YEAR. THE WAY TO STOP THAT IS TO HAVE
CHILDREN SHOW UP IN SCHOOL INCAPABLE OF LEARNING.

THE WAY TO KEEP OREGON ON A ROLL IS TO ROLL UP
BALLOT MEASURES 5 AND 11 AND THROW THEM IN A BARREL
MARKED "DANGER -- TOXIC WASTE."

THEY ARE POISON TO PUBLIC EDUCATION, PUBLIC
SAFETY, AND PUBLIC INFRASTRUCTURE...

THEY ARE POISON TO OUR STATE'S ECONOMIC FUTURE.

ONE WAY OR ANOTHER, I BELIEVE WE WILL VOTE ON
THESE MEASURES IN NOVEMBER, AND OUR VOTES WILL COUNT.

WE WILL SAY "NO" TO THOSE WHO THINK WE WOULD
CHOOSE TO PROTECT OURSELVES AT THE EXPENSE OF OUR
CHILDREN. OUR PARENTS AND GRANDPARENTS NEVER DID --
A GROUP MUCH LESS AFFLUENT THAN WE ARE TODAY MANAGED
TO BUILD HIGHWAYS, PARKS, AN EDUCATION SYSTEM. THEY
TOOK THE FUTURE SERIOUSLY AND TODAY WE THANK THEM FOR
IT.

MY HOPES FOR OUR STATE'S FUTURE: THAT OREGON'S
PERCEPTION OF ITSELF WILL HAVE CHANGED DRAMATICALLY
-- TO RAISE EXPECTATIONS, TO SEIZE ECONOMIC
OPPORTUNITIES, TO INVEST IN OURSELVES.

Governor Neil Goldschmidt, Prepared Remarks
Associated Oregon Industries Annual Convention
Salishan, October 1, 1990

Now that I am leaving office:

Will Rogers said that once a man holds a public office he is absolutely no good for honest work.

Mark Twain read the obituary pages and found that an old politician had passed on. A few days later he was asked if he had attended the funeral. "No," he said, "but I did send a message of approval."

Of course there was the satisfaction of working with the Legislature. Reminds me of the time a minister sold a mule to a neighboring farmer. Before handing over the reins, the minister told the farmer that the mule had a gentle soul and should be treated with kindness.

Some days later the minister was passing the farmer's field and saw the farmer standing in front of the immobile mule. The farmer told the minister that the mule wouldn't work.

"Let me show you how to get him going," said the minister. He seized a nearby two-by-four and whacked the mule between the eyes, whereupon he raised up and began to pull the plow.

"I thought you said to treat him kindly," said the farmer.

"Yes," said the minister. "But first you have to get his attention."

Being Governor is a great job, but I have to admit I won't miss some of the burdens of the office. I take solace from the story of President Coolidge, who once had a group of guests on the presidential yacht cruising the Potomac. As he stood alone at the rail, looking out at the expanse of water, someone exclaimed, "Look at that slight and slender figure! Look at that head bowed over the rail! What thoughts are in the mind of this man, burdened by the problems of the nation?"

Finally, Coolidge turned around and said, "See that sea gull over there? Been watching it for twenty minutes. Hasn't moved. I think he's dead!"

INTRODUCTION

Every governor as best we can tell has served amidst varying amounts of noise and stress about current issues of the moment.

The test for all of us is not just how we manage our way through these inevitable human frailties, but how we set our goals, how seriously we are committed to achieving them, and whether we are fundamentally capable of taking the difficult things and getting them done.

Oregon's economy: opportunities and obstacles

o Business climate:

Income taxes -- DOWN

Unemployment insurance -- DOWN by \$17 million in 1991 because the trust fund is solvent -- lowest rate in 15 years

Workers' compensation rates -- DOWN

At the same time, strategic, wealth-generating investment by your state government is UP

o Focus on sectors of strength and opportunity

metals initiative

OACIS

o Agriculture/food processing

Overlaying the regional economic development strategies in rural areas is a strategic plan for adding more value to crops...

For strengthening the food processing industry...

And for global marketing.

o Tourism

The Oregon tourism industry has grown nearly five times faster than the national growth rate over the last two years.

Didn't happen by accident -- takes investment and marketing plan

Award-winning advertising campaigns by the state Tourism Division have helped to more than double the number of tourism inquiries to the state.

Visitor counts to state welcome centers have skyrocketed

Results of strategic investments: public/private partnerships are paying off

Take a ride down I-84, east from Portland:

o Hood River and Wasco County

Tourism in the gorge is taking off

State helped build access road for wind surfers

o Morrow/Umatilla County regional strategy for creating jobs through value-added agriculture

Improving the Port of Morrow to allow for expansion of the Lamb-Weston Plant

Building a central packing facility near the intersection of I-84 and I-82 to provide the packing, handling and marketing capabilities needed for high value crops

Norpac

Continental Mills

o Union County

Capital construction at EOSC to catch up after years of neglect -- a great asset for economic development in that region

o Baker County

lowest unemployment rate in a decade

new retail establishments and correctional facility

Oregon Trail National Monument project will bring more visitors to Northeastern Oregon

Obstacles to a healthy Oregon economy -- the tough issues on the Oregon horizon

o If you live in the Portland region, and you don't handle the air quality and congestion problems, eventually you strangle the economy

Light rail ballot measure passage is essential -- also saves energy

- o If you live in a county that is timber dependent, there is no question you are going to take huge hits.

The question is how quickly we can move to help each other -- ~~it's the ultimate regional strategy -- it's~~ not every town for themselves, every county for themselves, it's Oregon as one.

If you live in the urban area, you've got to quit giving these speeches that it's all inevitable. You've got to be willing to make this state function for those folks.

Log exports (a long time coming)

Failures of value added strategy (pulp and paper) -- millions of dollars of potential economy.

- o I'm pleased the candidates are talking tough about crime; I'm pleased they think the resources ought to be committed -- and the budget I'm leaving behind will fulfill the corrections plan.
- o That plan is a roadmap. The roadmap shows that when we attack a problem, it gets solved.

Prison construction -- coming on line, on time, and under budget

For the first time the biannual drug survey of eighth and eleventh graders shows clear evidence that alcohol and other drug use is declining.

Head Start is the best drug prevention plan in the state

Head Start brings me to our ultimate economic obstacle AND opportunity: to bring 100% of our citizens into full membership in the Oregon community. To participate fully in our society and our economy.

This must be our challenge, our purpose, our goal. If we really want to cut ourselves apart from the pack; if we seriously want to do something about our rate of personal income growth, we have to improve the quality of our workforce.

The place with the best people wins.

Quality of our education system

- o The school finance issue is going to be treated as the definitive issue in education. It's not. It IS an issue on the tough problems list that Oregon has to take care of.

- o But if we had stable school finance tomorrow; limited property taxes permanently; replaced the property tax revenue that we gave up with some other source of revenue -- 90% of the kids still wouldn't graduate.
- o It starts with getting these children ready for school. It may come to year around schooling for some of these children who can't keep up.
- o We must expect children to leave 5th grade better equipped to make it through middle school and then graduate; if we can't say that about a proposed program, we should eliminate it.
- o We must not allow children to fail; we must not give them that option.
- o The test that WE are ultimately failing is not how we pay for schools, but how we pay for the kind of standard of living we know we are entitled to expect in a state that can only generate a higher personal income through literate, motivated, functional -- independent -- citizens.
- o The definition of who is in the workforce and who's out has changed totally.

Why at a time when we need skilled workers more than ever, are we allowing our governmental bodies to provide incentives for skilled workforce to retire early?

Women and minorities are expected to account for two-thirds of the increase in Oregon's workers.

If the workforce is going to be more female, more Black, more Hispanic, more Native American, then let's come to grips with the fact that we have created an educational machinery that was prepared to treat them as discards.

- o Our apprenticeship programs have to turn out the best workers in the world.
- o Fully-funded Head Start program will give thousands more children the skills they need to succeed in school

It makes a real difference to you -- it makes a real difference to the success of your business -- whether a child starts school behind and eventually drops out...

It makes a real difference to you if a child grows up and can't write or spell on their job applications, and ends up on welfare or in jail -- because you will pay for it.

So, at the top of the list for us must be the ability to compete, the will to compete, the ability of our citizens to be independent.

If we will deal with this issue, the top tough issue on the list, the rest will take care of themselves.

How to get it done -- what to look for in political leadership

- o Stop looking to see if they have a "D" or an "R" after their names. Instead, ask yourselves these questions:

Who wants to put Oregon on the map in the world marketplace?

Who has the energy to build the pieces needed to compete globally -- in education, workforce, cutting edge research facilities?

Who has the guts to break the spending limit to revitalize our schools, to repair our crumbling roads and housing, to help our citizens find productive jobs?

You owe it to yourselves to ask these questions, or else settle for a government that badly underestimates the intelligence and energy of Oregonians.

Oregon is on a roll right now. And the way you stay on a roll is to keep investing in things that will create wealth.

Here's a story that illustrates the importance of investing: A wealthy man was going away for a month and asked a neighboring farmer how much he would charge to board his horse. The farmer said it would cost fifty dollars a month and he would keep the manure. The rich man thought that was a bit steep, so he went to the next farm. There he was told that the fee would be forty dollars a month and "we keep the manure." Noting a downward trend, the rich man drove another mile to an old ramshackle house. There he was told that his monthly fee would be five dollars. After agreeing to the terms, the wealthy man said that all the other farmers were demanding to keep the manure. "Why didn't you insist on such a stipulation?" he asked.

"Well, mister, at five dollars a month, there ain't going to be much manure."

You only get out what you put in.

Oregon has seen 200,000 new jobs created in the last five years. The way to STOP that is to stop investing in infrastructure. Even though the resources are there without a tax increase.

Personal income in Oregon grew at the 10th fastest rate in the U.S. during the first three months of this year. The way to STOP that is to have children show up in school incapable of learning.

The way to KEEP OREGON ON A ROLL is to roll up Ballot Measures 5 and 11 and throw them in a barrel marked "Danger -- Toxic Waste."

~~They are poison to public education, public safety, and public infrastructure...~~

They are poison to our state's economic future.

One way or another, I believe we will vote on these measures in November, and our votes will count.

We will say "no" to those who think we would choose to protect ourselves at the expense of our children. Our parents and grandparents never did -- a group much less affluent than we are today managed to build highways, parks, an education system. They took the future seriously and today we thank them for it.

My hopes for our state's future: that Oregon's perception of itself will have changed dramatically -- to raise expectations, to seize economic opportunities, to invest in ourselves.

Governor Neil Goldschmidt, Prepared Remarks
Downtown Jewish Business and Professional Breakfast
Seattle, October 3, 1990

I'm very glad to be here with you this morning.

Back in February, I announced that I would not be seeking re-election as Oregon's governor. So, I'm looking for work. It was Will Rogers who said that once a man holds a public office he is absolutely no good for honest work.

Lately, I've been reminded of Mark Twain who, one day, was reading the obituary pages and found that an old politician had passed on. A few days later he was asked if he attended the funeral, to which he replied, "No, but I did send a message of approval."

It's a tradition that Oregon governors don't get any respect. After Tom McCall, governors were treated like the body at an old-fashioned Irish wake. It's necessary to have you in order to have the party, but you are not expected to say a great deal.

I did receive this fan letter, however: "When you visited Pendleton, there were a lot of sixth graders crowding around you. You elbowed me in the forehead. It was one of the most exciting events in my life."

Actually, it's been interesting as governor learning how many misconceptions those who live outside the Pacific Northwest have of our part of the country.

Nic Bingham, a California second grader, asked me to clear up some issues that had been troubling him:

- First: How did your state get a name like Oregon?
- Second: Why does the Chinook Salmon die after it lays its eggs?

And then there was Maria Bravo of San Francisco. She wrote to ask for a map of Oregon, my picture, and tour guides of the state. But most of all she wanted some of the kind of money we use in Oregon.

So I sent her a beaver pelt and some shiny beads.

Last month I returned from a two week vacation in Israel, which included both personal R & R and discussions with policymakers.

As I reflected on those discussions in preparation for being with you this morning several thoughts occurred to me.

With the end of the Cold War era; I believe our greatest struggle in the United States is just beginning -- a struggle not against some foreign enemy, but a struggle against our own failure to act on the profound problems that face this nation.

And our failure to act here at home threatens the very future of the nation of Israel.

Let me take a moment to explain what I mean.

The course of history's change not only provides each American with an opportunity to look at the world through different eyes, but above all, to look at ourselves with our eyes wide open.

Lesson number one for the United States: National security is no longer defined by missiles, but by markets.

Lesson number two: The weapons in this new arms race consist of surplus capital for investment, a healthy environment, advanced communication and transportation systems, and people smart enough to invest that capital and use those systems wisely and efficiently.

Lesson number three: The United States is losing this economics arms race.

It strikes me that in Israel there is no significant understanding of what is happening in the United States to sap our country of its economic power.

If I had wanted to make America poorer and weaker, here's what I would do:

First, I would do everything I could to turn the United States government from a lender to a borrower; because history shows that power shifts from the debtor to the creditor nations.

I would use the lack of federal revenue as an excuse to:

slash aid to education

gut the Environmental Protection Agency

allow the steel, bricks and mortar that support our economy to crumble from neglect

Second, if I wanted to make America poorer, I would allow confidence men and racketeers to raid the national treasury. This would accomplish two things at once: a siphoning off of precious resources, while feeding the public's growing cynicism toward government's ability to act.

Savings and Loan scandal

Third, if I wanted to weaken America, I would divide Americans, one from another; I would sound the retreat on civil rights and women's rights and set the stage for renewed bigotry and anti-semitism.

And fourth, if I really wanted to bring this country to its knees -- if I wanted to guarantee a second-rate America -- I would do this one thing above all else: I would ignore the cries for help from America's children.

- Almost one-third of all American mothers receive no prenatal care to detect conditions that lead to premature births, low birth weights and other problems.
- Nearly half the children in cities are not immunized against preventable diseases like polio, diphtheria and tetanus.
- Meanwhile, deficit reduction package will cut the budget for many child health programs in the country.
- Too many children are destined for failure before they even reach the schoolhouse door.

Why should you care? When the quality of our workforce is impaired, when talent is squandered and wasted, the economy suffers.

(I don't think we can blame Japanese trade policies for that.)

Diminishing economic power is the biggest single threat to our national security.

It is a matter of national security when only 75% of our children graduate from high school.

It is a matter of national security when corporate America has to spend \$210 billion to teach workers what they should have learned in school. That figure equals half the total expenditure of America's elementary, secondary and higher educational institutions.

It is estimated that by the year 2000 the U.S. could have as many as 20 million young working-age adults with poor prospects of holding any job.

How different would our cities be if twenty years ago mayors had run Head Start to the top of the national flagpole?

How different would our cities be if they graduated 90 percent -- from an internationally competitive school system?

Each year of delay in meeting our responsibility to invest in our children means another million dropouts whose skills are inferior to those against whom they have to compete -- the children of Osaka and Frankfurt.

When our economic interests were threatened outside this nation's borders in the Middle East, we responded.

A threat no less dangerous is facing us here at home, but we are failing to provide a comperable response.

Or as the Chinese say, "There is a lot of noise on the stairs, but no one enters the room."

The message we get from the federal government is this: no problem is big enough to be considered a knife at our jugular; not education, drugs infrastructure, medical care, housing.

No problem is worth the kind of investment we put into the G.I. Bill, the Marshall Plan, the race to the moon.

Inaction breeds cynicism. Cynicism fed by economic hypocrites and free lunch hucksters who promise we can get what we want without paying for it.

Cynicism fed by leaders who base their beliefs on poll results.

Harry Truman said it best: "How far would Moses have gone if he had taken a poll in Egypt?"

It's no secret that Presidents take refuge in international activities. Bush is no exception; he uses foreign policy to camouflage his inability to bite the tough domestic bullet.

What is the message for Israel?

If twenty years from now we look back on a period of failed commitment around the world -- and that includes commitment to Israel -- it will be because presidential leadership was unwilling to generate commitment to others through investing and solving problems at home.

The future of a strong Israel depends on a strong United States -- not just militarily, but economically and socially strong as well.

I am more optimistic than that great Jewish philosopher, Woody Allen: "Mankind faces a crossroads," he wrote. "One path leads to despair and utter hopelessness, the other to total extinction. Let us pray we have the wisdom to choose correctly."

I believe we ARE at a crossroads in our national life, where we have the opportunity to recapture the vision of what our country can be -- IF we decide to nurture this human capital; IF we decide that for national security reasons we can't afford not to.

Governor Neil Goldschmidt, Prepared Remarks
Tri-City Chamber of Commerce
Milwaukie, October 5, 1990

Now that I am leaving office

Will Rogers said that once a man holds a public office he is absolutely no good for honest work.

Mark Twain read the obituary pages and found that an old politician had passed on. A few days later he was asked if he had attended the funeral. "No," he said, "but I did send a note saying I approved."

Being Governor is a great job, but I have to admit I won't miss some of the burdens of the office. I take solace from the story of President Coolidge, who once had a group of guests on the presidential yacht cruising the Potomac. As he stood alone at the rail, looking out at the expanse of water, someone exclaimed, "Look at that slight and slender figure! Look at that head bowed over the rail! What thoughts are in the mind of this man, burdened by the problems of the nation?"

Finally, Coolidge turned around and said, "See that sea gull over there? Been watching it for twenty minutes. Hasn't moved. I think he's dead!"

INTRODUCTION

Every governor as best we can tell has served amidst varying amounts of noise and stress about current issues of the moment.

The test for all of us is not just how we manage our way through these inevitable human frailties, but how we set our goals, how seriously we are committed to achieving them, and whether we are fundamentally capable of taking the difficult things and getting them done.

Oregon's economy: opportunities and obstacles

o Business climate:

Income taxes -- DOWN

Unemployment insurance -- DOWN by \$17 million in 1991 because the trust fund is solvent -- lowest rate in 15 years

Workers' compensation rates -- DOWN -- SAIF declared a \$20 million dividend

At the same time, strategic, wealth-generating investment by your state government is UP

- o Focus on sectors of strength and opportunity

Metals initiative...OIT/Clackamas Community College

- o Agriculture/food processing

Overlaying the regional economic development strategies in rural areas is a strategic plan for adding more value to crops...

For strengthening the food processing industry...

Improving the Port of Morrow to allow for expansion of the Lamb-Weston Plant

Building a central packing facility near the intersection of I-84 and I-82 to provide the packing, handling and marketing capabilities needed for high value crops

Norpac

Continental Mills

- o Tourism

The Oregon tourism industry has grown nearly five times faster than the national growth rate over the last two years.

Didn't happen by accident -- takes investment and marketing plan...create an Oregon Identity

Award-winning advertising campaigns by the state Tourism Division have helped to more than double the number of tourism inquiries to the state.

Visitor counts to state welcome centers have skyrocketed

- o Convention Center

\$15 million in lottery funding was channeled through the Oregon Tourism Alliance to help finance this project.

OTA -- a highly successful regional strategy --
underline "regional"

Convention Center is the hub of the wheel that
extends through eight counties

- o Convention Center will bring visitors to Oregon Trail
center in this county

Obstacles to a healthy Oregon economy -- the tough issues on
the Oregon horizon

- o Timber dependent counties are going to take huge hits.

The question is how quickly we can move to help each
other -- it's the ultimate regional strategy -- it's
not every town for themselves, every county for
themselves, it's Oregon as one.

If you live in the urban area, you've got to quit
giving these speeches that it's all inevitable.
You've got to be willing to make this state function
for those folks.

Log exports (a long time coming)

- o I'm pleased the candidates are talking tough about crime;
I'm pleased they think the resources ought to be committed
-- and the budget I'm leaving behind will fulfill the
corrections plan.
- o That plan is a roadmap. The roadmap shows that when we
attack a problem, it gets solved.

Prison construction -- coming on line, on time, and
under budget

For the first time the biannual drug survey of
eighth and eleventh graders shows clear evidence
that alcohol and other drug use is declining.

Head Start is the best drug prevention plan in the
state

Head Start brings me to our ultimate economic obstacle AND
opportunity: to bring 100% of our citizens into full membership
in the Oregon community. To participate fully in our society
and our economy.

Being average isn't good enough. If we really want to cut ourselves apart from the pack; if we seriously want to do something about our rate of personal income growth, we have to improve the quality of our workforce.

We can only generate a higher personal income through literate, motivated, functional -- independent -- citizens.

The place with the best people wins.

Quality of our education system

- o The school finance issue is going to be treated as the definitive issue in education. It's not. It IS an issue on the tough problems list that Oregon has to take care of.
- o But if we had stable school finance tomorrow; limited property taxes permanently; replaced the property tax revenue that we gave up with some other source of revenue -- 90% of the kids still wouldn't graduate.
- o It starts with getting these children ready for school. It may come to year around schooling for some of these children who can't keep up.
- o We must expect children to leave 5th grade better equipped to make it through middle school and then graduate; if we can't say that about a proposed program, we should eliminate it.

The definition of who is in the workforce and who's out has changed totally.

- o Women and minorities are expected to account for two-thirds of the increase in Oregon's workers.
- o If the workforce is going to be more female, more Black, more Hispanic, more Native American, then let's come to grips with the fact that we have created an educational machinery that was prepared to treat them as discards.
- o Our apprenticeship programs have to turn out the best workers in the world.
- o Fully-funded Head Start program will give thousands more children the skills they need to succeed in school

So, at the top of the list for us must be the ability to compete, the will to compete, the ability of our citizens to be independent.

If we will deal with this issue, the top tough issue on the list, the rest will take care of themselves.

How to get it done -- what to look for in political leadership

- o Stop looking to see if they have a "D" or an "R" after their names. Instead, ask yourselves these questions:

Who has the courage to tackle the toughest problems -- not duck them, and not wait for someone else to do it?

Who has the energy to build the pieces Oregon needs to compete globally?

Who has the guts to break the spending limit to revitalize our schools, to repair our crumbling roads and housing, to help our citizens find productive jobs?

You owe it to yourselves to ask these questions, or else settle for a government that badly underestimates the intelligence and energy of Oregonians.

Oregon is on a roll right now. And the way you stay on a roll is to keep investing in things that will create wealth.

Here's a story that illustrates the importance of investing: A wealthy man was going away for a month and asked a neighboring farmer how much he would charge to board his horse. The farmer said it would cost fifty dollars a month and he would keep the manure. The rich man thought that was a bit steep, so he went to the next farm. There he was told that the fee would be forty dollars a month and "we keep the manure." Noting a downward trend, the rich man drove another mile to an old ramshackle house. There he was told that his monthly fee would be five dollars. After agreeing to the terms, the wealthy man said that all the other farmers were demanding to keep the manure. "Why didn't you insist on such a stipulation?" he asked.

"Well, mister, at five dollars a month, there ain't going to be much manure."

You only get out what you put in.

- o The last four years have seen close to \$1 billion in development in Clackamas County.
- o Which county had the largest job growth in Oregon? Clackamas.
- o Which county had the largest growth in payroll? Clackamas

Clackamas County has got to stop behaving like it's a poor country sister when it looks outward to the world.

Progress here has been nothing short of unbelievable.

- o You have to know yourself before you can focus on what needs to be done.
- o First order of business: get this region glued back together.
- o Here in the metropolitan area, if you don't handle the air quality and congestion problems, eventually you strangle the economy

Light rail ballot measure passage is essential --

- o If you can't get to Hillsboro by train, you're never going to get to Oregon City
- o If you can't get together with the other two metropolitan counties to work with Clark County, it isn't going to happen.
- o If you can't support Portland State University's growth, you're never going to get a major university.
- o You can't just stand in line saying, "me, me, me."
- o The message is the same for Washington County and Multnomah County.

The way to KEEP OREGON AND CLACKAMAS COUNTY ON A ROLL is to roll up Ballot Measures 5 and 11 and throw them in a barrel marked "Danger -- Toxic Waste."

They are poison to public education, public safety, and public infrastructure...

They are poison to our state's economic future.

My hopes for our state's future: that Oregon's perception of itself will have changed dramatically -- to raise expectations, to seize economic opportunities, to invest in ourselves.

Annex School Assembly
Gov. Neil Goldschmidt
October 10, 1990

- o I'm here to tell you that Cecil Andrus is NOT your Governor
- o I'm proud that Annex is on the map of Oregon where it belongs -- NOT IDAHO
- o Where would Weiser High School football be without Oregon kids from Annex on their team? Like Jason Yano (Yawno), the next football star from Annex.
- o Most of your teachers have been here a long time: 13-25 years -- that says something special about Annex
- o This may be a small school, but you have a big heart
- o Never forget: you are Oregonians -- your state needs you and your brainpower

Remarks on Leadership
La Grande Chamber of Commerce
Gov. Neil Goldschmidt
October 11, 1990

THE BURDENS OF LEADERSHIP: President Coolidge once had a group of guests on the presidential yacht cruising the Potomac. As he stood alone at the rail, looking out at the expanse of water, someone exclaimed, "Look at that slight and slender figure! Look at that head bowed over the rail! What thoughts are in the mind of this man, burdened by the problems of the nation?"

Finally, Coolidge turned around and said, "See that sea gull over there? Been watching it for twenty minutes. Hasn't moved. I think he's dead!"

Principles of leadership:

Casey Stengel's definition of leadership: "Keep the guys who hate you away from the guys who are undecided."

- 1) KNOW THE MOST
- 2) THE POWER IS IN THE IDEA -- great execution of a mediocre premise cannot produce greatness -- nor last long
- 3) THE SUM OF THE PIECES -- it is in the assembly of episodes into patterns...patterns into trends...trends into "elegantly simple" directions or thoughts -- that genius can also be found.
- 4) HAVE HIGHER STANDARDS --

We expect more out of life in Oregon; and now we expect more out of ourselves.

education system...quality workforce...Children's Agenda

- 5) LEAD BY EXAMPLE
- 6) HUMOR -- encourage it in those around you...teach with it

In the final analysis, leadership means:

- o Empowering the individual to take responsibility; take risks; fulfill potential.

- o Helping to drive society in the right direction.
- ~~o We can no longer assign our problems to servants of~~
society -- it is our responsibility, all of ours, and not
just police or social workers or teachers. And not just
government.
- o Harry Truman on leadership: "How far would Moses have
gotten if he had taken a poll in Egypt?"