

NEW JOBS AND NEW HOPE:  
ACHIEVEMENTS AND CHALLENGES

Address by:  
Congressman Les AuCoin  
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KEY POINT SUMMARY

- Page 6 -- "This amendment is the single most encouraging development of the year for Oregon's -- and America's -- high tech industry."
- Page 8 -- "Reports coming out of Tokyo say the Japanese are on the verge of signing a major agreement. It would substantially open their markets to American semiconductors."
- Page 11 -- "Oregon ports are now losing ground, not gaining it."

Thank you very much, Bill. I appreciate that introduction, and I'd like in turn, to introduce someone who is making this trip special by traveling with me. Please say hello to my wife, Sue.

It's great to be here today, and it's great to be back in Washington County. This county is the place where I chose to go to college...where I chose to live and work...and where Sue and I chose to start our family. I started my legislative career here in 1970 and I still remember first being invited to the forum 16 years ago: at the time, I believe, of Gordon Tupling's presidency.

And over the years, through the presidencies of Art Tarlow and Carol Maul and others, I've enjoyed my visits here. Because in Washington County there's a deep-rooted conviction that says: new ideas are worth trying, new businesses are worth starting, new technologies are worth developing, and if we lay partisan labels aside, and work together -- business, government, educators too -- we'll be strong enough to create the kind of community and the kind of jobs we want for ourselves and for our children.

It's always been this way in Washington County. Exactly one hundred years ago, about a half-mile from where I'm now standing, a farmer by the name of John Henry built a home for his wife and two daughters. The house is still there -- over on S.W. Henry Street. One of the few still standing from a time when Beaverton was only a railroad stop, a store, and a school.

Like all new settlers in this valley, John Henry drained and cleared the land -- and sent those beavers packing. But most of all, he innovated. It was Henry who took a risk and first raised a horseradish crop in Washington County. Quickly, he turned it into a major new cash crop. And today, finished horseradish -- produced in Beaverton -- can be found in supermarkets all over America.

A lot has changed in the last 100 years, but one thing hasn't.

This county still is the home of innovators, and all across this state, people know that the driving force for the economy of tomorrow's Oregon is being built in the labs and the classrooms of Washington County, and in the minds of the Washington County entrepreneur.

For the last 12 years I've made it my job in Congress to work with people who are excited about giving their energies to these efforts. The vision I have is a county -- a district -- that's "open for business," a district where ideas are turned into enterprises, where alert political and business leaders work together to promote growth, and world class research, and first rate schools, and safe neighborhoods...and personal opportunity.

I came today to talk about what I'm doing to work with you to make that vision happen. Because if we do, we will be on the cutting edge of the economy of the future. And we can put the problems that now facing Oregon behind us.

First, look at some of our problems:

\*The job loss in the electronics industry and other diversified manufacturing in Oregon is a lot like the national trend. High tech industries which added 24,000 jobs in Oregon seven to 10 years ago had lost 7,000 jobs through 1984.

\*Gross personal income in our wood products industry has dropped from \$8.6 billion to \$5.1 billion in seven years.

These facts aren't the whole story of the state. But they point to deep underlying problems. And we've got to solve them. This puts a premium on effective, experienced representation, and informed citizens, and a hell of a lot of hard work by every one of us.

This is what it takes to make our vision of a better life come true.

And it also means remembering where real prosperity comes from. It comes from the productivity of highly trained workers and the combined initiatives of thousands of risk-takers and decision-makers in the private sector. It does not come from a bill passed by government.

But I say that business decisions can be made easier, and results can be more bountiful, if we use government as a positive force to clear the way for -- and to encourage -- economic growth.

That's my philosophy, and it's a description of what I do in Congress.

Take Paul Carlson's Oregon Graduate Center, for example. I'm working hard to make OGC the world class research center that the late Howard Vollum imagined when he founded it in the 60's. In the last year, I've brought home major federal financial investments that are helping OGC reach this status today. And this, in turn, is improving the Center's ability to attract new companies to our county -- enterprises which need to locate near a state-of-the-art research institution.

It's the same with roads. Over the last five years, I've used my seat on Appropriations consistently to win a \$60 million package of special federal highways improvements for Washington County. And I was able to stop the Administration from siphoning off those funds of yours -- ours -- for use instead on the Banfield light rail project. We put them to work here.

If you couple that achievement with what local government and industry have done, we've made a solid start together toward the infrastructure Washington County will need for the economy in the year 2000. Already, that federal investment alone has led to the location of 80 new firms in the county -- and some 30,000 jobs.

And here, let me congratulate the voters of Washington County, and everyone in this room who worked so hard to pass the county road levy two weeks ago. That victory will give us the additional local match for the critical, additional federal highway funds I intend to win in Congress this year.

These are but a couple of examples of what I mean when I say that we should put government to effective use to help promote the private sector.

But I also know very well that all too often government action gets in the way of private sector growth. And that's especially true when it comes to export licensing, and market openings, and the handling of international trade dumping cases.

I have to tell you, Washington County's high tech exporters have had chronic problems in this area. And they've worked with me to knock those obstacles down. Their problem is getting clearances for export licenses from an increasingly paranoid Defense Department. Sometimes it takes more than a year just to get an export license -- though the technology may be freely available in the world -- and even though the sale may be to an allied country. Let me tell you: in the highly competitive high tech market, that kind of delay is deadly -- because it lets a quick-stepping foreign competitor reach that customer first.

And that's why, in the trade bill that passed the House two weeks ago -- after a hard-fought fight on the floor, I got an amendment through that cuts months off that time frame. This amendment is the single most encouraging development of the year for Oregon's -- and America's -- high tech industry. It should mean the recovery of millions of dollars in sales that otherwise would be lost. My aim is to stimulate Oregon's high tech industry so we'll be reading about high tech hirings rather than layoffs, as we have over the last couple of weeks.

But you know what? Even though that export license amendment was called the AuCoin amendment, it should have carried the names of eight cosponsors who haven't served in the Congress. I'm referring to the eight Oregonians who I pulled together from Washington County high tech companies and affiliated law firms, and who worked with me for nearly a year to give me their best thinking, which I then incorporated into that amendment I told you about. That's the kind of partnership approach I try to take in exercising my duties in this job, and I'd like to acknowledge each of those who took part in this effort; some of whom are here today:

Dawn Keast, formerly of Mentor Graphics; Chris Meinicke of Tektronix; Kent Evans of Northwest Instrument Systems; Rick Pierce and Frank Krueger of Floating Point Systems; Larry Rapp of Electro Scientific Industries; David Wu of Miller, Nash; and Bill Campbell of Lindsay, Hart.

To them, I say thanks. And so do the people of Washington County.

In that same trade bill, I also passed an important resolution calling for quick action on the semiconductor trade case between the U.S. and Japan. That case was filed over a year ago by Intel and other producers against the Japanese, who are not only dumping their computer chips on the international market at less than fair market value, but who have been keeping American chips off the Japanese market.

Now we in Washington County know only too well the effects of these unfair trade practices. Intel was forced to lay off 1,200 workers. That came before Tektronix's recent announcement of the 2,000 to be laid off.

And that's why I went to work with Intel and the American Semiconductor Industry -- and we passed that resolution of mine with only five dissenting votes.

And today, I'm able to bring you good news. Our efforts are already paying off. Reports coming out of Tokyo say the Japanese are on the verge of signing a major agreement. It would substantially open their markets to American semiconductors. Industry sources are saying this morning that my resolution -- and the overwhelming margin of its passage -- was one of the keys in putting pressure on the Japanese.



On that note, I'd like to read you a hand-written message I got on Thursday just before leaving Washington to be with you today. It's from Alan Wolff, chief consultant for the American Semiconductor Association on this issue...and it was about my resolution. Here's what it says:

Dear Les: As I am running out the door to Tokyo to follow the semiconductor negotiations, I wanted to at least get in a quick, personal "thank you" for your resolution. We really needed the help and much appreciate your excellent work and that of your staff. Regards, Alan (Wolff).

You know, that means a lot to me. But it should mean even more to people in this county who just may be able to reclaim their jobs as a result of this work.

There's still a lot of work left to be done -- and that painful layoff announcement by Tektronix is certainly a reminder.

But as I review our recent successes, I think it's fair to say I've demonstrated our ability - together - to make Oregon's needs heard in Washington, and to put Washington County on the path toward new growth and new opportunity.

Now, speaking of the work ahead, let me make a few observations about how our mutual accomplishments have set the stage for a working agenda which can carry us into the 21st Century, only 14 years away.

First and foremost, by the year 2000, the federal budget deficit must be nothing more than a distant memory. A very bad memory. If it's not, it'll pull all of us down. So long as America continues to have high budget deficits, there will be a permanent threat of high interest rates and recession, to the detriment of Oregon's economy and our hopes for the future. So long as we continue to have high budget deficits, farm income will be crippled, and pressures will increase for protectionist bills, like the pending textile quota bill, which invite retaliation from the foreign customers Oregon needs most.

Simply put, until the budget deficit comes down, Oregon's economy won't come back up.

That's why I supported Gramm-Rudman -- the same reason I have voted for less federal spending every year than every president I have served under.

Now I've heard some Oregon political figures actually say that Gramm-Rudman -- the only deficit reduction requirement Congress has ever passed -- is, in their words, "poor public policy." I've got to say they're out of touch with Oregon, and they're especially out of touch with thousands of Oregon workers who've lost their jobs because of high deficits and high interest rates.

And I want to announce today that if the Supreme Court should decide that Gramm-Rudman is unconstitutional for some technical reason -- and a decision is expected any day now -- I have a bill ready to drop in the hopper, if that's what it takes, so we can keep cutting deficits by 20% a year, and so we can stabilize the economy for long-term growth.

Locally, by the year 2000, I believe Washington County has got to have a transportation system that is well into the jet age. Now I don't think anyone wants to see 727s taking off and landing at Hillsboro airport, but if Washington County is ever to make the leap to the home and regional centers for major corporations, and it should make that leap, then it seems to me the Hillsboro airport must be upgraded steadily to be able to handle robust corporate traffic. That's one.

Two, I've been pushing hard for FAA approval of the Delta Airlines proposal for daily flights to Tokyo out of Portland International, so that airport can become a transportation hub with overnight service to Japan.

You put those achievements together with the upgrading of this region's ground transportation network, and our manufacturers here will have the capacity to manufacture this morning, ship tonight.

By the year 2000, West Coast ports will be competing furiously for trade with the Orient. But Oregon ports are now losing ground, not gaining it. The state's expert, studying the future of Oregon ports, says that leaders of Oregon's legislature should have made a commitment, ten years ago, to modernize our ports...because ten years ago, other states had seen the future, and got a head start on us. We've got an uphill climb, but climb it we must if we're going to reach our potential as the agricultural bread-basket of the Pacific Rim, and a leading high tech exporter.

By the year 2000, Oregon agriculture should be the breadbasket of the Pacific Rim. We have the crop base to do it, and the demand is certainly there.

And as we shoot for that goal, I have high hopes that since Washington County's own David Chen is now running the Oregon office of the Farmers Home Administration, we'll finally be able to see some real understanding and innovation in dealing with the problems of Washington County farmers.

That's the approach I've been asking for and pushing for for years, and I've got to say I've been amazed that there are those in the state legislature who have called for closing down the entire rural development program at Farmers Home rather than trying to solve the problems of that agency in order to put Oregon agriculture back on its feet.

In education, we can't even afford to wait until 1990, let alone 2000, before we bring education to center stage as the catalyst to economic growth. There has certainly been excellent work done locally by Boyd Applegarth and the teachers and students of the Beaverton school district -- and I've visited some of their prize-winning schools -- and they deserve our credit. Also in Aloha and Hillsboro, to name but a few -- and at PCC and also by Bob Duvall out in Forest Grove, who's putting Pacific University on the map.

We need more of that. But we also need a major statewide commitment to education, in a state which has dropped to 31st, nationally, in per capita spending in support of education. When I served the legislature, we were 17th. Now the basic leadership to reverse the current trend should not come from the federal government -- nor can it -- but rather the state legislature. But I do want you to know that I am now working on federal legislation that will at least make it somewhat easier for middle-income parents to begin saving today to put their children through college tomorrow.

Economic development, quality education, personal opportunity. And above all, achievement. Securing those things for all of us is my job. And it's our challenge. And if we work hard enough, together enough, and wisely enough, I know there is no way you and I, and this state, will ever fail to meet the challenge of creating new jobs and new hope for our people.