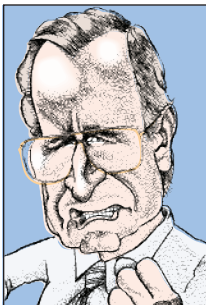


# Bush to target home problems



**Criticized during first term for paying too much attention to foreign policy rather than domestic affairs, Bush has promised to concentrate on the economy, bringing America out of recession and reducing high levels of unemployment.**

If re-elected, he has set himself a number of targets to achieve in the first year. These include reducing the deficit, across the board tax cuts, business incentives and health care reform. His plans may be difficult to implement as a

mainly Democrat-controlled Congress will not appreciate another four years of Republican administration. Foreign policy includes continuing the search for weapons in Iraq, encouraging democracy and capitalist economy in former Soviet republics and negotiating a peace deal in the Middle East

## Economy



**Believes continuing policy of free markets, low taxes and minimum government intervention offers the best hope out of recession. Tax cuts will be offset by as yet unspecified cuts in federal spending, including benefits and farm subsidies**

## Defence



**Four per cent reduction in budget by 1997. Troop levels reduced to base force consisting of 12 each active army and battle carrier divisions and 15.25 fighter wing equivalents. 150,000 troops to remain in Europe. Scrapping of Seawolf submarine and Osprey aircraft**

**Proposes tax credits of \$1,250 per person to cover those without insurance. Cuts in Medicare, Medicaid programmes**

## Health



## Trade



**Negotiated NAFTA agreement with Canada and Mexico. Seeks free trade agreements with Latin America and eastern Europe and resolution of GATT talks**

## Environment



**Some legislation implemented, notably the Clean Air Act, but deterred from further projects by high costs involved**