

Originally Processed With FOIA(s):  
2009-0166-S

FOIA Number:  
2009-0166-S

# FOIA MARKER

**This is not a textual record. This is used as an  
administrative marker by the George Bush Presidential  
Library Staff.**

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**Record Group/Collection:** George H.W. Bush Presidential Records  
**Collection/Office of Origin:** Office of the President  
**Series:** Daily Files  
**Subseries:**

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**OA/ID Number:** 90505  
**Folder ID Number:** 90505-002

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**Folder Title:**  
Monday, March 13, 1989

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| Stack: | Row: | Section: | Shelf: | Position: |
|--------|------|----------|--------|-----------|
| V      | 12   | 11       | 1      | 6         |

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# Withdrawal/Redaction Sheet

## (George Bush Library)

| Doc. No. / Type | Subject/Title                                                                                                                       | Date     | Restriction                 | Classification |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------|----------------|
| 01. Schedule    | Schedule of the President [redaction] (1 pp.)                                                                                       | 03/13/89 | (b)(3) [50 USC 403g, Sec 6] |                |
| 02a. Log        | White House Telephone Log [E.S.T.] [redaction of personal information] (2 pp.)                                                      | 03/13/89 | (b)(6)                      |                |
| 02b. Memo       | From Doug Wead for Recommended Telephone Call to Dr. Ed Feulner [redaction of personal information] (1 pp.)                         | 03/13/89 | (b)(6)                      |                |
| 02c. Memo       | From Michael J. Boskin for Recommended Telephone Call for the President to John Taylor [redaction of personal information] (1 pp.)  | 03/13/89 | (b)(6)                      |                |
| 02d. Vitae      | John B. Taylor [redaction of personal information] (1 pp.)                                                                          | 01/89    | (b)(6)                      |                |
| 03. Memo        | From Doug Wead for Recommended Telephone Call to Dr. Ed Feulner [redaction of personal information] (1 pp.)                         | 03/13/89 | (b)(6)                      |                |
| 04. Letter      | From George Bush to Sol M. Linowitz Re: article "Latin America: The President's Agenda" [redaction of personal information] (1 pp.) | 03/13/89 | (b)(6)                      |                |
| 05a. Letter     | From George Bush to His Royal Highness Sadrudin Aga Khan Re: his Letter and various issues (1 pp.)                                  | 03/13/89 | (b)(1)                      |                |

Page 1 of 2

**Collection:**

**Record Group:** Bush Presidential Records

**Office:** Office of the President

**Series:** Daily Files

**Subseries:**

**WHORM Cat.:**

**File Location:** Monday, March 13, 1989

**Pinksheet Number:** dw1264

**OA/ID Number:** 90505-002

**Date Closed:** 2/25/2009

**FOIA/Sys Case #:** 2009-0166-S

**Re-review Case #:**

**P-2/P-5 Review Case #:**

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Doc. No. / Type | Subject/Title                                                                                                  | Date     | Restriction | Classification |
|-----------------|----------------------------------------------------------------------------------------------------------------|----------|-------------|----------------|
| 05b. Memo       | From President Bush to Patty Re: Letter to His Royal Highness Sadruddin Aga Khan (2 pp.)                       | n.d.     | (b)(1)      |                |
| 05c. Letter     | From His Royal Highness Sadruddin Aga Khan (Sadri) to President Bush Re: inauguration and other issues (1 pp.) | 02/24/89 | (b)(1)      |                |
| 05d. Memo       | From President Bush to Brent [Scowcroft] Re: Letter from His Royal Highness Sadruddin Aga Khan (1 pp.)         | 03/12/89 | (b)(1)      |                |

Page 2 of 2

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**Re-review Case #:**

**P-2/P-5 Review Case #:**



## SCHEDULE OF THE PRESIDENT

Monday, March 13, 1989

|                       |                                                                                                                                                               |                          |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 8:00 am<br>(15 min)   | <u>Intelligence Briefing</u><br><u>(Scowcroft/Sununu)</u>                                                                                                     | Oval Office              |
| 8:15 am<br>(30 min)   | <u>National Security Briefing</u><br><u>(Scowcroft/Sununu)</u>                                                                                                | Oval Office              |
| 8:45 am<br>(30 min)   | <u>Meeting with Governor Sununu</u>                                                                                                                           | Oval Office              |
| 9:20 am<br>(5 min)    | <u>Photo with Jeffrey Baird,</u><br><u>Make-A-Wish Foundation</u><br><u>(Demarest)</u>                                                                        | Oval Office              |
|                       | (TAB A)                                                                                                                                                       |                          |
| 9:30 am<br>(10 min)   | <u>Presentation of National</u><br><u>Security Medal to David H. Blee</u><br><u>(Scowcroft)</u>                                                               | Roosevelt Room           |
|                       | (Distributed Separately)                                                                                                                                      |                          |
| 9:40 am<br>(5 min)    | <u>Photo with Racham Elazar</u><br><u>(Scowcroft)</u>                                                                                                         | Oval Office              |
|                       | (TAB B)                                                                                                                                                       |                          |
| 9:45 am<br>(15 min)   | <u>Personal Staff Time</u>                                                                                                                                    | Oval Office              |
| 10:00 am<br>(15 min)  | <u>Drop by Briefing for National</u><br><u>Association of Attorneys General</u><br><u>(Card/Griffith)</u> <i>open photo-writing pool</i>                      | Roosevelt Room           |
|                       | (TAB C)                                                                                                                                                       |                          |
| 10:15 am<br>(45 min)  | <u>Personal Staff Time</u>                                                                                                                                    | Oval Office              |
| 11:00 am<br>(40 min)  | <u>Attend Swearing-in of William</u><br><u>Bennett as Director of National</u><br><u>Drug Control Policy</u><br><u>(Bates)</u> <i>open photo-writing pool</i> | Oval Office/<br>450 OEOB |
|                       | (TAB D)                                                                                                                                                       |                          |
| 11:40 am<br>(20 min)  | <u>Personal Staff Time</u>                                                                                                                                    | Oval Office              |
| 12:00 noon<br>(2 hrs) | <u>Lunch and Personal Staff Time</u>                                                                                                                          | Oval Office              |

UNP 03/10/89  
4:00 pm



2:00 pm  
(20 min)

Meeting with Israeli  
Foreign Minister Arens  
(Scowcroft)

*open photo. with pool*  
(Distributed Separately)

Oval Office

2:20 pm  
(25 min)

Personal Staff Time

Oval Office

2:45 pm  
(60 min)

Meeting with Budget Team  
(Porter)

(TAB E)

Oval Office

3:45 pm  
(15 min)

Personal Staff Time

Oval Office

4:00 pm  
(45 min)

Haircut

West Basement

4:45 pm  
(15 min)

Meeting with Governor Sununu

Oval Office

UNP 03/10/89  
4:00 pm

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## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                     | Date     | Restriction                   | Class. |
|--------------------------|-----------------------------------------------|----------|-------------------------------|--------|
| 01. Schedule             | Schedule of the President [redaction] (1 pp.) | 03/13/89 | (b)(3)[50 USC<br>403g, Sec 6] |        |

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| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
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P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

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(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

Bush Library Photocopy

7:59 Scowcroft, Galt, Sununu + [redacted] to Oval  
 8:17 [redacted] out 8:18 VP in 8:31 Gates + Scowcroft out  
 8:58 Sununu + VP out 9:08 POTUS TO Scowcroft office 9:10 Potter to Oval  
 9:19 Jeffrey Baird into Oval 9:29 Baird et al out 9:30 Potter to Ross. Room  
 9:35 Potter to Oval w/ Blee Family 9:37 Potter + Blee Family to Ross. Room. 9:38 Potter to oval  
 9:41 Elazar et al to Oval 9:50 all out 9:59 Bill Rielly to Oval  
 10:00 Rielly + Potter to Roosevelt Room 10:14 Potter to Oval 10:57 Sununu in  
 11:00 add Cheney + Scowcroft 11:04 Bennett et al into Oval 11:08 all out except Bennett, Sununu, Batts + VP.  
 11:11 Dpt Oval w/ Bennett wife + son, VP, Sununu + Batts  
 11:15 arr 450 DEOB 11:16 announced in Rm 450 - Remarks - (Conclude remarks 11:29)  
 11:29 dpt 450 DEOB 11:29 arr India Treaty Room. 11:36 Dpt India Treaty Room  
 11:41 arr Oval 11:43 add Fitzwater 11:51 Fitzwater out 11:55 Fitzwater in  
 11:59 Potter + Fitzwater to Motocade 11:59 Scowcroft in and out ~~11:59 Potter + Fitzwater~~  
 12:00 Dpt S. Grounds. 12:11 Arr Capitol - House dining room (lunch w/ Cong. Montgomery, Harnischmidt + Marki Fitzwater)  
 1:07 leave dining 1:10 dpt Capitol w/ Fitzwater 1:20 arr S. Grounds 1:21 arr Oval  
 1:40 add Jennifer Fitzgerald 1:43 Fitzgerald out 1:55 Scowcroft in 1:50 add Baker  
 1:53 add Sununu 1:59 arena et al in (see list) 2:32 Arena et al out  
 2:38 add Prince \_\_\_\_\_ of Cambodia + Devil Scowcroft 2:46 Prince + Scowcroft out  
 2:48 Baker, Bookin, Darmon Sununu, Porter, Brachy into oval 2:55 add V.P.  
 3:50 all out 4:06 Depart Oval 4:07 arr Barbershop 5:03 dpt Barbershop  
 5:04 arr Oval 5:08 sununu into oval 5:10 Card into Oval; out @ 5:11  
 5:30 Fitzwater into Oval 5:37 Fitzwater out 5:38 Sununu out  
 6:40 Potter dpt oval 6:42 arr 2nd Flr Res.

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                      | Date     | Restriction | Class. |
|--------------------------|--------------------------------------------------------------------------------|----------|-------------|--------|
| 02a. Log                 | White House Telephone Log [E.S.T.] [redaction of personal information] (2 pp.) | 03/13/89 | (b)(6)      |        |

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**WHORM Cat.:**  
**File Location:** Monday, March 13, 1989

|                                     |                                |
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## THE WHITE HOUSE

WASHINGTON

E.S.T.

## TELEPHONE MEMORANDUM

PRESIDENT

MARCH 13

, 19<sup>89</sup>

|       | TIME       |       | NAME                                                                   | ACTION                                                 |
|-------|------------|-------|------------------------------------------------------------------------|--------------------------------------------------------|
|       | PLACED     | DISC  |                                                                        |                                                        |
| (OUT) | 8:24 (AM)  | 8:26  | MR. BOYDEN GRAY<br>OFFICE WASHINGTON, D.C.<br>WHITE HOUSE ADMIN. X764  | TALKED OK                                              |
| INC   | PM         |       |                                                                        |                                                        |
| OUT   | AM         |       |                                                                        |                                                        |
| INC   | PM         |       |                                                                        |                                                        |
| (OUT) | 10:21 (AM) | 10:54 | CONG. JOHN PAUL HAMMERSCHIDT<br>(b)(6)                                 | WILL CALL BACK<br>TOLD MR. McBRIDE<br>TALKED OK 10:52a |
| INC   | PM         |       |                                                                        |                                                        |
| OUT   | AM         |       |                                                                        |                                                        |
| INC   | PM         |       |                                                                        |                                                        |
| (OUT) | 10:23 (AM) | 10:39 | CONG. SONNY MONTGOMERY<br>(b)(6)                                       | WILL CALL BACK<br>TOLD PRES. BUSH<br>TALKED OK 10:36a  |
| INC   | PM         |       |                                                                        |                                                        |
| OUT   | AM         |       |                                                                        |                                                        |
| INC   | PM         |       |                                                                        |                                                        |
| OUT   | 10:41 (AM) | 10:43 | SEN. BROCK ADAMS<br>OFFICE WASHINGTON, D.C.<br>224-0215                | TALKED OK                                              |
| (INC) | PM         |       |                                                                        |                                                        |
| OUT   | AM         |       |                                                                        |                                                        |
| INC   | PM         |       |                                                                        |                                                        |
| (OUT) | AM         |       | LAURIE FIRESTONE<br>OFFICE WASHINGTON, D.C.<br>WHITE HOUSE ADMIN. X672 | UPSTAIRS WITH<br>MRS. BUSH<br>TOLD MR. McBRIDE         |
| INC   | 1:24 (PM)  |       |                                                                        |                                                        |
| OUT   | AM         |       |                                                                        |                                                        |
| INC   | PM         |       |                                                                        |                                                        |
| (OUT) | AM         |       | DR. ED FEULNER<br>(b)(6)                                               | TALKED OK                                              |
| INC   | 5:43 (PM)  | 5:47  |                                                                        |                                                        |

## THE WHITE HOUSE

WASHINGTON

E.S.T.

## TELEPHONE MEMORANDUM

MARCH 13

, 19<sup>89</sup>

PRESIDENT

|       | TIME   |      | DISC | NAME                                                     | ACTION          |
|-------|--------|------|------|----------------------------------------------------------|-----------------|
|       | PLACED |      |      |                                                          |                 |
| (OUT) |        | AM   |      | MR. JOHN TAYLOR<br>SAN FRAN. CALIF<br>OFC: 415-723-9677  | TALKED OK       |
| INC   | 5:49   | (PM) | 5:51 |                                                          |                 |
| OUT   |        | AM   |      |                                                          |                 |
| INC   |        | PM   |      |                                                          |                 |
| OUT   |        | AM   |      | MR. WILL FARISH                                          | TALKED OK       |
| (INC) | 6:03   | (PM) | 6:10 | (b)(6)                                                   |                 |
| OUT   |        | AM   |      |                                                          |                 |
| INC   |        | PM   |      |                                                          |                 |
| (OUT) |        | AM   |      | USHER SKIP ALLEN<br>OFC. WHITE HOUSE<br>ADMIN. BD. X2650 | TALKED OK       |
| INC   | 6:10   | (PM) | 6:11 |                                                          |                 |
| OUT   |        | AM   |      |                                                          |                 |
| INC   |        | PM   |      |                                                          |                 |
| (OUT) |        | AM   |      | SECY. JAMES BAKER<br>OFC. STATE DEPT<br>ADMIN BD. X420   | TALKED OK 7:17p |
| INC   | 7:13   | (PM) | 7:22 |                                                          |                 |
| OUT   |        | AM   |      |                                                          |                 |
| INC   |        | PM   |      |                                                          |                 |
| (OUT) |        | AM   |      | MR. DON RHODES                                           | TALKED OK       |
| INC   | 7:25   | (PM) | 7:29 | (b)(6)                                                   |                 |
| OUT   |        | AM   |      |                                                          |                 |
| INC   |        | PM   |      |                                                          |                 |
| OUT   |        | AM   |      | MARVIN BUSH                                              | TALKED OK       |
| (INC) | 8:58   | (PM) | 9:08 | (b)(6)                                                   |                 |

# THE WHITE HOUSE

WASHINGTON

## TELEPHONE MEMORANDUM

SIGNAL SWITCHBOARD

March 14, 1989

|     | TIME   |      | NAME     | ACTION |
|-----|--------|------|----------|--------|
|     | PLACED | DISC |          |        |
| OUT | AM     |      | No Calls |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |
| OUT | AM     |      |          |        |
| INC | PM     |      |          |        |

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THE WHITE HOUSE

WASHINGTON

1989 MAR 10 11:13:04

RECOMMENDED TELEPHONE CALL

TO: Dr. Ed Feulner  
President, The Heritage Foundation

DATE: As soon as possible

RECOMMENDED BY: Doug Wead

THROUGH: David Demarest

PURPOSE: To determine the sense of conservative leaders in light of recent incidents regarding the use of automatic guns like the AK-47.

BACKGROUND: Police organizations, the NRA and gun control organizations are re-evaluating their positions on the ownership of guns to stay ahead of the public opinion curve.

Dr. Feulner has been one of the most reasonable movement conservative leaders. He and his Heritage Foundation will more likely support your evolving position on gun control if they are consulted.

TOPICS FOR DISCUSSION:

1. Your long relationship with the NRA.
2. Your commitment to the constitutional right of Americans to bear arms.
3. How does one balance that commitment with the responsibility of the government to protect its citizens from murderers and drug kingpins who use these weapons?
4. Would appreciate some input and Feulner's ideas.

DATE OF SUBMISSION: March 10, 1989

ACTION:

PHONE NUMBER: 546-4400 (The Heritage Foundation)

(b)(6)

Gd "Telling to Meuse just other day - ironic  
our best supporters are divided on this"  
Gd will get group together - try to get back  
... .. & home on so

THE WHITE HOUSE  
WASHINGTON

March 13, 1989

*Chase/Manli  
Got him  
3-13*

MR. PRESIDENT:

You have already approved this nomination, and Chase concurs with the call request.

Once you have made this call, an announcement of intent to nominate will be made by the Press Office.

Thank you.

*Jim*  
James W. Cicconi

# Withdrawal/Redaction Sheet

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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

Bush Library Photocopy

1989 MAR -9 AM 11:36

RECOMMENDED TELEPHONE CALL FOR THE PRESIDENT

TO: John Taylor  
Telephone (b)(6)  
(415) 723-9677 (office)

DATE: Thursday, March 9, 1989

RECOMMENDED BY : Michael J. Boskin

PURPOSE: To offer Professor Taylor a position as a Member of the President's Council of Economic Advisers/ to thank him for being willing to join the Bush Administration economic team.

BACKGROUND: Professor Taylor was the near unanimous recommendation of a wide spectrum of prominent economic policymakers and professional economists (including all former CEA chairmen) to be the Member of the Council of Economic Advisers dealing with macro economics (inflation and unemployment) and Federal Reserve monetary policy. CEA Chairman Michael Boskin considers Professor Taylor to be the outstanding potential candidate for this job. He not only is a renowned academic, but is an outstanding teacher and communicator, and a very easy person to work with.

TOPICS FOR

DISCUSSION: Thank you/pep talk on how important the Council of Economic Advisers is to the President in helping him make informed judgments on economic policy and the important role Professor Taylor will play in the Council. It is a time of much debate over the future course of inflation and economic growth and we need his expertise to assist us.

DATE OF

SUBMISSION: Thursday, March 9, 1989

ACTION:

Attachment: Talking Points

7 Kids ages 8-11  
excited about it  
He'll be here tomorrow  
next day - lunch at  
Paul etc  
CSB  
B-13

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                  | Date  | Restriction | Class. |
|--------------------------|------------------------------------------------------------|-------|-------------|--------|
| 02d. Vitae               | John B. Taylor [redaction of personal information] (1 pp.) | 01/89 | (b)(6)      |        |

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Office of the President  
**Series:** Daily Files  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Monday, March 13, 1989

|                                     |                                |
|-------------------------------------|--------------------------------|
| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

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(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

Curriculum Vitae

John B. Taylor

January 1989

Office Address

Department of Economics  
Stanford University  
Stanford, CA 94305-6072  
Phone: 415-723-9677

(b)(6)

Personal

Born: December 8, 1946, Yonkers, New York

Marital Status: Married, two children

Citizenship: U.S.A.

(b)(6)

Education

A.B. Summa cum Laude, Economics,  
Princeton University, 1968

Ph.D. Economics, Stanford University, 1973

University Positions

Stanford University, Department of Economics,  
Professor of Economics, 1984-

Princeton University, Department of Economics and Woodrow Wilson  
School,  
Professor of Economics and Public Affairs, 1980-84

Yale University, Department of Economics and Cowles Foundation,  
Visiting Professor of Economics, 1980

Columbia University, Department of Economics,  
Professor of Economics, 1979-1980  
Associate Professor of Economics, 1977-1979  
Assistant Professor of Economics, 1973-1977

### Government and Business Positions

Bank of Japan  
Visiting Scholar, March-June 1987

Bank of Finland  
Visiting Scholar, August 1986

Federal Reserve Bank of Philadelphia  
Research Advisor, 1981-84

Townsend-Greenspan and Co., New York  
Econometric Consultant, 1978-81

Council of Economic Advisers, Executive Office of the President,  
Senior Staff Economist, 1976-77

### Professional Activities

Research Associate, National Bureau of Economic Research, 1980-

Co-Editor, American Economic Review, 1985-1988

Associate Editor, Econometrica, 1981-85; Journal of Economic Dynamics  
and Control, 1978-1985; Journal of Monetary Economics, 1978-83

Member, Advisory Committee, Carnegie-Rochester Conference Series on  
Public Policy, 1979-

Member, Honors and Awards Committee, American Economic Association,  
1986-

Member, Committee on Economic Stability and Growth and Subcommittee on  
Monetary Research, Social Science Research Council, 1986-

Member, Brookings Panel on Economic Activity, 1982-83

Member, Graduate Record Examinations Committee, Educational Testing  
Service, 1984-1986

Member, Economics Oversight Committee, National Science Foundation,  
1983

Member, Advisory Review Panel for Economics, National Science  
Foundation, 1979-1981

Member, Advisory Panel, Congressional Budget Office, 1983

Curriculum Vitae  
John B. Taylor

Research Grants, Fellowships, and Awards

National Science Foundation, Research Grants:  
1986-89, 1983-86, 1981-83, 1979-81

Econometric Society, Fellow, 1985-

Guggenheim Foundation, Fellow, 1983-84

Social Science Research Council, Subcommittee on Monetary Research  
Fellowship, 1975-76

Wolf Balleisen Memorial Prize for best senior thesis in economics,  
Princeton University, 1968

Books

Macroeconomics: Theory, Performance and Policy (with Robert E. Hall), W.W.  
Norton, New York, 1986, Second Edition, 1988.

Published Articles

"Asymptotic Properties of Multiperiod Control Rules in the Linear Regression  
Model," International Economic Review, 15, June 1974.

"Monetary Policy During a Transition to Rational Expectations," Journal of  
Political Economy, 83, October 1975.

"On a Efficient Two-Step Estimator for Dynamic Simultaneous Equation Models  
with Autoregressive Errors," (with P.J. Dhrymes), International  
Economic Review, 17, June 1976.

"Methods of Efficient Parameter Estimation in Control Problems," Annals of  
Economic and Social Measurement, 4, July 1976.

"Strong Consistency of Least Squares Estimates in Normal Regression," (with  
T.W. Anderson), Annals of Statistics, 4, July 1976.

"Some Experimental Results on the Statistical Properties of Least Squares  
Estimates in Control Problems," (with T.W. Anderson), Econometrica, 44,  
November 1976.

"The Deterrence Controversy: A Reconsideration of the Time Series  
Evidence," (with P. Passell), in Capital Punishment in the United States,  
H. Bedau and C. Pierce (eds.), AMS Press 1976.

Published Articles (cont'd)

- "Stabilizing Powers of Monetary Policy under Rational Expectations," (with E.S. Phelps), Journal of Political Economy, 84, February 1977. Reprinted in E.S. Phelps (ed.), Studies in Macroeconomic-Theory: Employment and Inflation, Academic Press, 1979.
- "The Deterrent Effect of Capital Punishment: Another View," (with P. Passell), American Economic Review, 67, June 1977. Reprinted in Thomas D. Cook (ed.), Evaluation Studies Review Annual, Sage Publications, 1978.
- "Conditions for Unique Solutions in Stochastic Macroeconomic Models with Rational Expectations," Econometrica, 45, September 1977.
- "Econometric Models of Criminal Behavior: A Review," in J. Heinke (ed.) Contributions to Aconomic Analysis Series: Economic Models of Criminal Behavior, North-Holland, 1978.
- "Staggered Wage Setting in a Macro Model," American Economic Review, Papers and Proceedings, 69, May 1979.
- "Strong Consistency of Least Squares Estimates in Dynamic Models," (with T.W. Anderson), Annals of Statistics, 7, July 1979.
- "Estimation and Control of a Macroeconomic Model with Rational Expectations," Econometrica, 47, September 1979. Reprinted in R.E. Lucas and T.J. Sargent (eds.), Rational Expectations and Econometric Practice, University of Minnesota Press, 1981.
- "Aggregate Dynamics and Staggered Contracts," Journal of Political Economy, 88, February 1980.
- "Output and Price Stability: An International Comparison," Journal of Economic Dynamics and Control, 2, February 1980.
- "Recent Developments in the Theory of Stabilization Policy" in L. Meyer (ed.) Stabilization Policy: Lessons from the 1970s and Implications for the 1980s, Working Paper No. 53, Center for the Study of American Business. April 1980. Reprinted in Economic Perspectives, An Annual Survey of Economics, Vol. 3, 1984.
- "An Inequality for a Sum of Quadratic Forms with Applications to Probability Theory," (with T.W. Anderson), Linear Algebra and its Applications, 1980.
- "Economic Theory, Model Size, and Model Purpose," in J. Kmenta and J.B. Ramsey (ed.), Large Scale Macro-Econometric Models, North-Holland, 1981.

Published Articles (cont'd)

- "Stabilization, Accommodation, and Monetary Rules," American Economic Review, Papers and Proceedings, 71, May 1981.
- "On the Relation between the Variability of Inflation and the Average Inflation Rate," in K. Brunner and A.H. Meltzer (eds.), The Costs and Consequence of Inflation, Carnegie-Rochester Conference Series on Public Policy, Vol. 15, North-Holland, 1981.
- "Macroeconomic Tradeoffs in an International Economy with Rational Expectations," in W. Hildenbrand (ed.), Advances in Economic Theory, Cambridge University Press, 1982.
- "Establishing Credibility: A Rational Expectations Viewpoint," American Economic Review, Papers and Proceedings, 72, May 1982.
- "Policy Choice and Economic Structure," Occasional Papers, 9, Group of Thirty, New York, 1982.
- "The Swedish Investment Funds System as a Stabilization Policy Rule," Brookings Papers on Economic Activity, 1, 1982.
- "The Role of Expectations in the Choice of Monetary Policy," in Monetary Policy Issues for the 1980's, Federal Reserve Bank of Kansas City, 1982.
- "Rational Expectations and the Invisible Handshake," in J. Tobin (ed.) Macroeconomics, Prices, and Quantities, Brookings Institution, 1983.
- "Solution and Maximum Likelihood Estimation of Dynamic Nonlinear Rational Expectations Models," (with R.C. Fair), Econometrica, 51, July 1983.
- "Optimal Stabilization Rules in a Stochastic Model of Investment with Gestation Lags" in S. Karlin, T. Amemiya, and L.A. Goodman (eds.), Studies in Econometrics, Time Series, and Multivariate Statistics, Academic Press, 1983.
- "Union Wage Settlements During a Disinflation", American Economic Review, 73, December 1983.
- "Recent Changes in Macro Policy and Its Effects: Some Time Series Evidence," American Economic Review, Papers and Proceedings, May 1984.
- "Rational Expectations Models in Macroeconomics," in K.J. Arrow and S. Honkapohja (eds.) Frontier of Economics, Basil Blackwell, Oxford, 1985.
- "What Would Nominal GNP Targetting Do to the Business Cycle?" Carnegie-Rochester Conference Series on Public Policy, Vol. 22, North-Holland, 1985.

Published Articles (cont'd)

- "International Capital Mobility and the Coordination of Monetary Rules," (with Nicholas Carlozzi), in J. Bahdhari (ed.) Exchange Rate Management Under Uncertainty, MIT Press, 1985.
- "International Coordination in the Design of Macroeconomic Policy Rules," European Economic Review, 25, 1985.
- "Estimation and Solution of Linear Rational Expectations Models Using a Polynomial Matrix Factorization," (with C. Ates Dagli) Journal of Economic Dynamics and Control, 8, 1985.
- "New Econometric Approaches to Stabilization Policy in Stochastic Models of Macroeconomic Fluctuations," in Z. Griliches and M. Intriligator (eds.) Handbook of Econometrics, Vol. 3, North-Holland, 1986.
- "Improvements in Macroeconomic Stability: The Role of Wages and Prices," in Robert J. Gordon (ed.) The American Business Cycle: Continuity and Change, University of Chicago Press for NBER, 1986.
- "An Appeal For Rationality in the Policy Activism Debate," in R.W. Hafer (ed.), The Monetary and Fiscal Policy Debate: Lessons from Two Decades, Rowman and Allanheld, Totowa, New Jersey, 1986.
- "The Role of Contracts in Macroeconomic Performance," in H. Nalbantian (ed.), Incentives, Cooperation and Risk Sharing: Economic and Psychological Perspectives on Employment Contracts, Rowman and Littlefield, Totowa, New Jersey, 1987, pp. 189-201.
- "Externalities Associated with Nominal Wage and Price Rigidities," in W. Barnett and K. Singleton (eds.), New Approaches to Monetary Economics, Cambridge University Press, Cambridge, 1987, pp.350-367/
- "Involuntary Unemployment," in J. Eatwell, M. Milgate, and P. Newman (eds.), The New Palgrave: A Dictionary of Economic Theory and Doctrine, Stockton Press, New York, 1988.
- "The Treatment of Expectations in Large Multicountry Models," in R. Bryant et al. (eds.) Empirical Macroeconomics for Interdependent Economies, Brookings Institution, Washington, 1988, pp.161-182.
- "The U.S. Trade Deficit, Saving-Investment Imbalance and Macroeconomic Policy: 1982-87," in Albert E. Burger (ed.) The U.S. Trade Deficit: Causes, Consequences, and Cures, 12th Annual Economic Policy Conference Proceedings: Federal Reserve Bank of St. Louis, Kluwer Academic Publishing, Boston, 1988.

Published Articles (cont'd)

- "A Summary of the Empirical and Analytical Results and the Implications for International Monetary Policy," in Suzuki, Yoshio and Mitsuaki, Okabe (eds.), Toward a World of Economic Stability: Optimal Monetary Framework and Policy, University of Tokyo Press, 1988, pp. 17-34.
- "Japanese Macroeconomic Policy and the Current Account under Alternative International Monetary Regimes," Monetary and Economic Studies, Bank of Japan, Vol. 6, No. 1, May 1988, pp. 1-36.
- "Differences in Economic Fluctuations in Japan, the U.S. and Europe: The Role of Nominal Rigidities," Journal of the Japanese and International Economies, forthcoming 1989.
- "Monetary Policy and the Stability of Macroeconomic Relationships," A.W. Phillips Lecture, Journal of Applied Econometrics, forthcoming 1989.
- "Policy Analysis with a Multicountry Model in Ralph Bryant, D. Currie, J. Frenkel, P. Masson, and R. Portes (eds.), Macroeconomic Policies in an Interdependent World, International Monetary Fund, forthcoming 1989.

Published Notes and Comments

- "Stabilization Policies in a Growing Economy: A Comment," Review of Economic Studies, 39, October 1972.
- "Stabilization Policies in a Disequilibrium Growth Model," Proceedings of IEEE Conference on Decision and Control, December 1973.
- "Control Theory and Economic Stabilization: A Comment," Journal of Monetary Economics, Carnegie-Rochester Conference Series, Vol. 7, 1977.
- "The Determinants of Economic Policy with Rational Expectations," Proceedings of IEEE Conference on Decision and Control, December 1977.
- "Comments on Temporal and Sectoral Aggregation of Seasonally Adjusted Time Series," in Arnold Zellner (ed.), Seasonal Analysis of Economic Time Series, U.S. Department of Commerce, 1978.
- "'Forward' to Special Issue on Rational Expectations Analysis," Journal of Economic Dynamics and Control, 2 February 1980.
- "On the Possibility and Desirability of Stabilization Policy: A Comment," in S. Fischer (ed.), Rational Expectations and Economic Policy, University of Chicago Press, 1980.

Published Notes and Comments (cont'd)

"Comments on 'Labor Market Contracts and Inflation' by D.J.B. Mitchell and L.J. Kimball," in Workers, Jobs, and Inflation, M.N. Baily (ed.), Brookings, 1982.

"Comments on 'Relative Shocks, Relative Price Variability and Inflation,' by Stanley Fischer," Brookings Papers on Economics Activity, 1, 1982.

"Comments on 'Wage Rigidity and Unemployment in OECD Countries' by D. Grubb, R. Jackman and R. Layard," European Economic Review, 16, March/April 1983.

"Comments on 'Staggered Contracts and Exchange Rate Policy' by Guillermo Calvo" in J. Frenkel (ed.), Exchange Rates and International Macroeconomics, University of Chicago Press for National Bureau of Economic Research, 1983.

"Comments on 'Equilibrium Theory with Learning and Disparate Expectations: Some Issues and Methods,' by Robert M. Townsend," in R. Frydman and E.S. Phelps (ed.), Individual Forecasting and Aggregate Outcomes: "Rational Expectations" Examined, Cambridge University Press, 1983.

"Comments on 'Rules Discretion and Reputation in a Model of Monetary Policy' by R.J. Barro and D.B. Gordon," Journal of Monetary Economics, 12, 1983.

"Reply to De Long and Summers" in Robert J. Gordon (ed.), The American Business Cycle: Continuity and Change, University of Chicago Press for NBER, 1986.

"Comments on 'How Firm is the Deep Structure of Real Business Cycle Theory' by Michael Parkin," Carnegie-Rochester Conference Series on Public Policy, North-Holland, forthcoming 1988.

"Comment on 'Equilibrium Interpretations of Employment and Real Wages' by John Kennan," in S. Fischer (ed.) Macroeconomics Annual, Vol. 3, 1988.

"Comment on 'Multicountry Modelling of Financial Markets' by J. Helliwell, J. Cockerline and Robert Lafrance" in "Monetary Aggregates and Financial Sector Behavior in Interdependent Economies", Board of Governors of the Federal Reserve Board, forthcoming 1989.

Book Review

"Review of Contemporary Economic Problems, 1978," William Fellner (ed.), Journal of Economic Literature, Vol. 17, June 1979.

"Review of Macroeconomic Analysis and Stabilization Policy" by Stephen J. Turnovsky, Journal of Political Economy, August 1980.

Book Review, cont'd)

"Review of Macroeconomic Theory," by Thomas J. Sargent, Journal of Monetary Economics, September 1981.

Unpublished Papers and Technical Reports

"Fiscal and Monetary Stabilization Policies in a Model of Endogenous Cyclical Growth," Research Memorandum No. 104, Econometric Research Program, Princeton University, October 1968.

"A Criterion for Multiperiod Control of Economic Models with Unknown Parameter," Columbia Economics Discussion Paper, January 1974.

"An Econometric Business Cycle Model with Rational Expectations: Some Estimation Results," June 1979.

"An Econometric Business Cycle Model with Rational Expectations: Policy Evaluation Results," December 1979.

"Rational Expectations and Business Cycles," prepared for presentation at National Association of Business Economists Meeting, Atlanta, September 1984.

"An Econometric Evaluation of International Monetary Policy Rules: Fixed Versus Flexible Exchange Rates," October 1986.

"Solving and Estimating Stochastic Equilibrium Models by the Extended Path Method" (with Joseph E. Gagnon), November 1986.

"Simulations of the Current Account in a Multicountry Rational Expectations Econometric Model," Memorandum prepared for Workshop on the U.S. Current- Account Imbalance of Brookings Discussion Papers in International Economics, No. 59-A, March 1987. (with Tamin Bayoumi)

"Deficits, Economic Stabilization and Growth," presented at the Center for Economic Policy Research Conference on Tax and Budget Policy for the 1990s, Washington, D.C., May 1988.

"Wage Determination and Monetary Policy," prepared for academic consultants meeting, Federal Reserve Board, June 1988.

"Solving Nonlinear Stochastic Growth Models: A Comparison of Alternative Solution Methods," prepared for the Nonlinear Rational Expectations Modelling Group, National Bureau of Economic Research, September 1988.

"Synchronized Wage Determination and Macroeconomic Performance in Japan," paper presented at MITI conference, Tokyo, Japan, December 1988.

# PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE <sup>13</sup>~~14~~ March 1989

| TIME | MOVEMENTS                                         |
|------|---------------------------------------------------|
| 0708 | South Grounds                                     |
| 0711 | Oval Office                                       |
| 0754 | South Grounds                                     |
| 0755 | Oval Office                                       |
| 0910 | West Lobby                                        |
| 0911 | Oval Office                                       |
| 0931 | Roosevelt Room                                    |
| 0937 | Oval Office                                       |
| 1003 | Roosevelt Room                                    |
| 1015 | Oval Office                                       |
| 1133 | Indian Treaty Room, Old Executive Office Building |
| 1141 | Oval Office                                       |
| 1200 | South Grounds (LOW KEY)                           |
| 1201 | Depart South Grounds via Motorcade (LOW KEY)      |
| 1210 | Arrive The Capitol (LOW KEY)                      |
| 1310 | Depart The Capitol via Motorcade (LOW KEY)        |
| 1320 | Arrive South Grounds (LOW KEY)                    |
| 1321 | Oval Office (LOW KEY)                             |
| 1608 | Barbershop                                        |
| 1705 | Oval Office                                       |
| 1843 | Residence                                         |
| 2014 | South Grounds                                     |
| 2022 | Residence                                         |
|      |                                                   |

Monday, March 13

6:00 Breakfast for the President and Mrs. Bush  
7:30 The President to Oval Office  
9:30 Mrs. Bush to Dental Office  
10:00 Mrs. Bush to Second Floor  
11:15 Mrs. Bush to the West Wing  
11:31 Mrs. Bush to the Second Floor  
12:15 Guests arrive for Mrs. Bush's luncheon for  
Members of the International Club II on  
Second Floor (28 Guests)  
12:45 Lunch served in the Private Dining Room  
2:27 Guests for the Luncheon depart  
3:00 Rex Scoounten to Second Floor  
3:05 MRS. Potter Stewart to Second Floor  
5:43 down  
6:50 The President to the Second Floor  
7:30 Dinner for the President and Mrs. Bush  
8:30 Retired



# News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, MARCH 13, 1989 -- 6 a.m. EDT EDITION

## TODAY'S HEADLINES

### NATIONAL NEWS

Dole: Nunn Won't Be Able To Direct Pentagon Through Cheney -- Sen. Dole said Sunday President Bush's new choice for defense secretary, Rep. Cheney, would resist being directed by Sen. Nunn's Armed Services Committee. (Reuter)

### INTERNATIONAL NEWS

Arens To Meet Bush On Mideast Peace Efforts -- President Bush and Israeli Foreign Minister Arens were slated to hold talks Monday on what U.S. officials said will include proposals for defusing tensions in the riot-torn West Bank and Gaza Strip. (Reuter, UPI)

Palestinian Official Calls Bush Peace Proposal Impossible -- A high-ranking Palestinian official described as "impossible" a reported Bush administration proposal that Palestinians end demonstrations in the Israeli-occupied territories to ease tensions. (Washington Post, Reuter)

### NETWORK NEWS (Sunday evening)

POLL -- According to a Newsweek poll, 62% of the public approves of President Bush's job performance.

BOMB/IRAN -- An Iranian newspaper blamed the FBI for the bombing of Navy Capt. Rogers' van.

PRESIDENT/ARENS -- President Bush and Foreign Minister Arens meet at the White House today.

NATIONAL NEWS.....A-2

INTERNATIONAL NEWS...A-5

NETWORK NEWS.....B-1

TALK SHOWS.....C-1

## NATIONAL NEWS

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### DOLE: NUNN WON'T BE ABLE TO DIRECT PENTAGON THROUGH CHENEY

Sen. Dole said Sunday President Bush's new choice for defense secretary, Rep. Cheney, would resist being directed by Sen. Nunn's Armed Services Committee....

Dole, appearing on NBC's "Meet The Press," said some Republicans have grumbled that Nunn did not want a strong defense secretary, which Dole said Tower would have been.

"But I don't want to question his motives" in rejecting Tower, he said.

"Dick Cheney is a quick study. He's been around in politics. He understands politics. In my view he'll work with Sen. Nunn as he should. And Sen. Nunn should work with him.

"But Dick Cheney will be his own boss. He'll not take orders from some staff member on a (Senate) committee somewhere." (Reuter)

### TOWER DEFEAT BRINGS OUT 'ROUGHER, TOUGHER' DOLE

Bob Dole...gave a glimpse Sunday of what he called his "rougher, tougher America."

Dole, who has been called "the slasher" for his cutting barbs, took on Vice President Quayle, Chief of Staff Sununu and Sen. Nunn during a television interview....

The senator was asked...if he agreed with remarks last Friday by Quayle, who accused Senate Democrats of using "McCarthyite mud-slinging" to derail the nomination of John Tower as defense secretary.

"Well, I had that statement in my final speech and I took it out," Dole said.

He then suggested that Sununu...still had a lot to learn.

Asked if he thought Sununu better understood Washington politics after suffering the Tower nomination defeat, Dole replied with a laugh: "He's beginning to. It takes a while. You can't expect somebody to unpack one day and be an expert."...

Should Bush have handled the Tower nomination differently?

"Well, my slogan is a 'rougher, tougher America,'" Dole said. "His (Bush's) was a 'kinder, gentler America.'" (Reuter)

### DEFEAT OF TOWER REFLECTS DRAMATIC CHANGES IN SENATE

The Senate that rejected John Tower for secretary of defense last Thursday was not the Senate where he served for most of the last three decades: Tower's Senate probably would have understood and looked the other way....

When Tower entered the Senate in 1961, it was a cozier, more leisurely place, where members ducked into hideaways for drinks and conversation, tolerated each other's excesses and lapses and protected one another from the outside world, often without regard to party. Journalists were less intrusive, too.

When Tower left the Senate in 1985, the pace had quickened and the Senate was becoming less collegial -- a more uptight and frenetic place.

(News Analysis, Helen Dewar, Washington Post, A1)

## EASTERN STRIKE RAISES FEARS OF HIGHER FARES

The strike at Eastern Air Lines has poured new fuel onto the debate about the deregulation of the airline industry.

The possibility that Eastern might not survive its current labor conflict is stirring up fears that the industry may become even more vulnerable to fare increases imposed by a relative handful of dominant airlines.

At the same time, however, the strike has shown some of the strengths of deregulation. If Eastern created a vacuum, other airlines were prepared to fill it. (Martha Hamilton, Washington Post, A17)

## Machinists' Union Head Seeks Bush Action On Eastern Strike

NEW YORK -- The head of the machinists' union striking Eastern Airlines pressed President Bush Sunday to help settle the dispute, but Transportation Secretary Skinner said Bush was still firmly opposed to stepping in.

"I think that President Bush, if he's going to be even-handed, would declare that a state of transportation emergency does exist," William Winpisinger...said on CBS's "Face the Nation."

Skinner, interviewed on the same program, said Bush firmly believes "a cooling off period would do no good whatsoever. There is no emergency and it's his belief that the normal collective bargaining process should go forward." (Reuter)

## SKINNER'S RECOGNITION TAKES OFF AMID STRIKE

When machinists struck Eastern Air Lines, Labor Secretary Dole seemed best suited to handle the thorny issue for the Bush administration....

But the task fell instead to Transportation Secretary Skinner, a Washington newcomer and, until last week, a relatively obscure member of the Bush Cabinet.

That strategy has spared Dole a potentially bruising confrontation with labor early in her tenure and enabled the administration to make the strike an issue of public transportation convenience rather than a traditional labor dispute. (Laura Parker, Washington Post, A17)

## COUNTDOWN TO SPACE SHUTTLE LAUNCH PROCEEDS SMOOTHLY

The space shuttle Discovery, due to blast off into orbit Monday morning, proceeded smoothly through its final countdown Sunday in what officials call the smoothest pre-launch procedure ever.

"It seems a little scary that it is going this well," shuttle test director Charles Henschel said. "We've had countdowns go well before, but this is exceptionally smooth." (Beth Dickey, Reuter)

Monday, March 13, 1989 -- A-4

## HELICOPTER CRASHES OVER DESERT, 12 DEAD, THREE MISSING

TUCSON -- An Air Force Reserve helicopter crashed and burned Sunday during a night training mission, killing 12 aboard and leaving three missing, officials said.

The CH-3 "Jolly Green Giant" helicopter was flying with another chopper from Davis-Monthan Air Force Base to the Air Force's Gila Bend Gunnery Range when it went down at about 7:45 p.m., according to a base spokesman. (AP)

## 'CURRENT CLIMATE' OF CAUTION Expanded FBI Checks Slow Confirmations

"When I saw the marijuana question," the potential Bush appointee said, "I thought, 'Oh great. It only asks about using within in the last five years. I'm safe.' But when I saw the added instructions on using it back to age 18. Big trouble."...

Welcome to what White House Counsel Gray calls "the current climate." It requires candidates for senior posts that require confirmation to fill out several forms....

Under fire because it has filled key posts slowly, the Bush team, frustrated and on the defensive, blames much of the lag on the increasingly complex clearance process, what Sen. Helms recently called "jumping higher through a more time-consuming series of hoops."

(Ann Devroy, Washington Post, A1)

## ATWATER AND THE POLITICS OF RACE

In the midst of the explosive controversy over his appointment to Howard University's Board of Trustees, a stunned Lee Atwater was particularly embittered by the charge that he opposed the Civil Rights Act of 1964.

"They (Howard's protesting students) lied about me," said the chairman of the RNC after giving up his seat on the board last week. "In 1964 I was in the seventh grade. I didn't know what the Civil Rights Act was."

Atwater was correct in the specifics of his complaint, but he overlooked the long-term political consequences of the landmark 1964 civil rights legislation and his role in the development of a southern Republican Party that is almost exclusively white. The Howard University episode underscores the difficulty Atwater faces in achieving his announced goal of attracting black voters to the GOP. (Thomas Edsall, Washington Post, A10)

## DISCORD SHADOWS U.S. ATTORNEY'S OFFICE UNDER STEPHENS

...Ambitious and intent on dramatic change, [many veteran prosecutors] said, U.S. Attorney Stephens is disdainful of "business as usual" and can be cavalier with the traditions and staff that he inherited.

Stevens was Ronald Reagan's choice for U.S. attorney, and it is not yet clear whether President Bush will keep him. Attorney General Thornburgh was non-committal recently, saying the U.S. attorney slots "are all being reviewed and the decisions have not all been made."

(Barton Gellman, Washington Post, A1)

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## INTERNATIONAL NEWS

### ARENS TO MEET BUSH ON MIDEAST PEACE EFFORTS

President Bush and Israeli Foreign Minister Arens were slated to hold talks Monday on what U.S. officials said will include proposals for defusing tensions in the riot-torn West Bank and Gaza Strip....

A U.S. official told Reuters the U.S. had prepared suggestions for easing the turmoil in the West Bank and Gaza Strip....

The official, who stressed the items would be presented as proposals rather than as U.S. demands, said the suggestions would likely include reopening schools in the West Bank that were ordered closed when the Palestinian uprising began and a call for releasing some of the Palestinians arrested....

Another item on the U.S. agenda was likely to include a call for easing economic restrictions imposed upon Palestinians who have not paid taxes since the uprising began 15 months ago, the U.S. official said.

(Laurence McQuillan, Reuter)

### U.S., Israel Seek Progress In Talks

Lacking bold new ideas, President Bush's administration Monday was expected to use a visit by Israeli Foreign Minister Arens to promote Israeli and Palestinian concessions as a step to formal peace talks.

"Exploratory" was the word the Israeli news media attached to the meetings scheduled for Arens with Bush, Secretary Baker and other U.S. officials....

In advance of the Arens mission, designed to lay the groundwork for an April visit by Prime Minister Shamir, Israeli officials said the U.S. was interested in "confidence-building measures" that could improve the political climate for negotiations.

(Norman Sandler, UPI)

### ISRAELIS KILL THREE GUNMEN AT BORDER

JERUSALEM -- Israeli troops killed three gunmen in Lebanon Monday who came the closest to penetrating the Israeli border since PLO leader Yasser Arafat renounced terrorism in December, the army said.

The army did not identify the guerrillas but said they were killed in a clash with soldiers...less than a mile from the border. There were no Israeli casualties.

(Reuter)

### PLO AIDE CALLS BUSH PROPOSAL INSUFFICIENT

NEW YORK -- A PLO official [Sunday] called Bush administration proposals for reducing tension in the Israeli-occupied territories "way too little, too late" and said diplomatic efforts should focus instead on ways to establish "Palestinian self-determination."

But Nabil Shaath...stopped short of rejecting the proposals outright, saying the PLO leadership "will have to study them."

(Caryle Murphy, Washington Post, A28)

-more-

Palestinian Official Calls Bush Peace Proposal Impossible

NEW YORK -- A high-ranking Palestinian official described as "impossible" a reported Bush administration proposal that Palestinians end demonstrations in the Israeli-occupied territories to ease tensions.

Speaking during an international meeting of Palestinians and Israelis in New York, Nabil Shaath, chairman of the Political Committee of the Palestinian National Conference, said: "It is impossible to ask us to stop the intifada (uprising) just to build confidence. The intifada is our only weapon.

"It is the reason for the Palestinian unity and the mother of the current peace process." (Reuter)

FRUSTRATED PALESTINIANS ESCALATE ATTACKS ON ISRAELI TROOPS

JERUSALEM -- Frustrated that their 15-month uprising has failed to produce political results, Palestinians in the occupied West Bank are escalating their attacks against Israeli soldiers.

"People now feel much more pessimistic than they felt a month or two ago," said Palestinian analyst Daoud Kuttab. "The Americans are dragging their feet and the Europeans who were very excited a few months ago are now in a deep sleep.

"This puts a lot of pressure on the Palestinians to try to escalate the uprising to tell the world and the Israelis not to forget about it," he said....

At least 401 Palestinians have died during the uprising while 16 Israelis have been killed. (Gail Fitzer, Reuter)

SYRIA SUSPECTS U.S. ATTACHES MEANT TO AID ISRAEL

DAMASCUS -- Syrian Foreign Minister Charaa said today that his government suspected that intelligence gathering at the Palestinian commando base near here by two American military officers attached to the U.S. Embassy would be passed on to Israel for use in a possible military attack on the radical group.

In an interview, Charaa stressed that Syria had thus far acted with restraint and "good will" by not expelling the U.S. military attache, Col. Clifford Robert Ward, and his assistant, Maj. Robert Siegel, who on March 3 were apprehended on the perimeter of the base 25 miles from here....

According to Syrian and PFLP-GC [Popular Front for the Liberation of Palestine-General Command] officials, Ward and Siegel were carrying cameras, maps, binoculars and telephoto lenses and, under questioning, initially identified themselves as Canadian diplomats.

(Nora Boustany & Patrick Tyler, Washington Post, A28)

AFGHAN SPOKESMAN SAYS TWO AMERICANS KILLED IN MAJOR BATTLE

KABUL -- Two Americans fighting alongside Afghan rebels as advisers were among those killed in the battle for a major city near the border with Pakistan, an Afghan government spokesman said Sunday....

Pressed for more information, [Afghan government spokesman] Amani said the Americans -- whom he called "advisers" -- had been identified by captured Pakistanis. He gave no further details but said the government would offer proof later. He did not say when....

A Pentagon spokeswoman in Washington, asked about Amani's statement, said: "I have nothing to substantiate what the Afghan spokesman is saying." (Hugh Pain, Reuter)

ADMINISTRATION PREPARED TO APPLY 'CARROT AND STICK'  
POLICY TOWARD NICARAGUA

The Bush administration is prepared to ease the U.S. trade embargo against Nicaragua and take a number of other conciliatory measures if that country shows it is serious about holding fair elections next year, according to U.S. officials.

Under such circumstances, the administration would also be prepared to upgrade diplomatic relations with Nicaragua, including the exchange of ambassadors, the officials said. The two countries have not been represented at the level of ambassador in each other's capital since last July.

The list of possible gestures toward the Sandinista government numbers about 20, according to the officials, who asked not to be identified.

Alternatively, the administration has prepared a potential list of punitive measures of similar length if Nicaraguan opposition forces are not given what U.S. officials perceive to be an equal chance in the balloting, which will probably be held next February. (AP)

HONDURANS, CONTRAS TO MEET MONDAY IN WASHINGTON

TEGUCIGALPA -- Honduran officials and Nicaraguan rebel leaders will hold unprecedented talks in Washington Monday to discuss disbanding the contra rebel army, foreign ministry spokesman Castro said Sunday.

The meeting, the first-ever publicly announced talks between the two sides, is to review an accord by Central American presidents last month under which a detailed plan is to be drafted by mid-May for the eviction of contras from camps in Honduras in return for democratic reforms inside Nicaragua.

"If we are going to demobilize these people the natural thing to do is talk with them," Castro said. "This does not mean an official recognition of the contras but neither can we deny the fact that there are 10,000 to 12,000 contras in Honduras." (Reuter)

LATIN AMERICA WELCOMES BRADY PLAN,  
BUT STILL DOUBTFUL

VENEZUELA -- Latin American governments are encouraged by new debt proposals from Washington and see them as a positive contribution toward resolving the debt crisis, though doubts remain on how effective they will be.

Foreign ministers and senior officials of the "Group of Eight" Latin American countries, representing nearly 80 percent of the region's \$401 billion debt, said Friday after a meeting here that Washington's plan is a step in the right direction.

"This represents an important change of attitude by a major creditor," Mexican Foreign Minister Solana told Reuters.

For the first time, Washington has accepted the principle of debt reduction as an addition to the strategy unveiled by then-Treasury Secretary Baker in October 1985....

"I would go so far as to say that the Brady plan is a direct response to the Group of Eight's proposals," Venezuelan Foreign Minister Paris said. (Keith Grant, Reuter)

SALVADORAN ARMY ACKNOWLEDGES MASSACRE,  
WILL HAND OVER OFFICERS

SAN SALVADOR -- The military acknowledged Sunday that its troops had massacred 10 unarmed peasants in a case championed by the United States and said nine soldiers including two officers would be handed over to a civilian judge.

"The Armed Forces will not foment or protect members involved in crimes," a military statement said.

The incident in the central village of San Francisco, originally reported by the military as combat with armed leftist guerrillas, was raised by Vice President Quayle during a visit in early February....

U.S. Ambassador to El Salvador William Walker described the development as a breakthrough.

"This shows the Armed Forces are serious about the investigation and that the High Command are admitting that earlier versions have not held up," Walker told reporters. (Angus MacSwan, Reuter)

7 TURBULENT SOUTH AMERICAN NATIONS LINE UP TO VOTE

BUENOS AIRES -- A year-long cycle of elections throughout South America begins next month in a pivotal period when the region's heady rush to democracy -- a trend that seemed secure in recent years -- now appears wobbly and in some danger of being reversed.

In the background is the Venezuelan case. The Feb. 27-March 1 riots in Caracas and other cities, with hundreds killed and whole neighborhoods sacked, were symptoms of the explosiveness of the region's economic crisis and its massive external debt, paramount issues in almost all of the upcoming votes.

At stake, some leaders say, is the very trend that allows voters of seven South American nations -- Uruguay, Paraguay, Bolivia, Argentina, Brazil, Chile and Peru -- to go to the polls in the space of one year -- nations better known in recent times for strongman leaders and coups.

"Latin America is the only part of the developing world in which democracy is growing," Argentine President Alfonsin said recently. "We cannot risk going back to our old ways."

(Eugene Robinson, Washington Post, A23)

ARMY TIMES SAYS U.S. SERVICEMEN TERRORIZED IN PANAMA

U.S. servicemen in Panama have been subjected to abductions and beatings but U.S. military officials are reluctant to respond to avoid a new confrontation with Gen. Noriega, a respected military newspaper reported Sunday.

The Army Times...said U.S. military personnel in Panama had been involved in hundreds of incidents with Panamanian troops over the past year, ranging from detentions without charge and severe beatings to treaty violations and intrusions on U.S. installations.

Quoting current and former government officials, the newspaper said that "despite an escalating pattern of harassment against U.S. military personnel and their families, high-ranking military officials have sought to downplay the extent of the incidents in order to avoid a new confrontation" with Noriega.

It said a congressional investigation was expected to probe the incidents. (Reuter)

## GORBACHEV FARM POLICY CHALLENGED

MOSCOW -- A new confrontation appears to be shaping up between President Gorbachev and his conservative rival Yegor Ligachev over the Soviet leader's proposals to lease land directly to farmers and diminish the state's control over agriculture.

Ligachev, the Kremlin's man in charge of agriculture, returned this weekend from a three-day visit to Czechoslovakia, where he praised the collective farming system and questioned the need for changes advocated by Gorbachev. (William Drozdiak, Washington Post, A26)

## 1,000 DEFY POLICE TO DEMONSTRATE IN MOSCOW

MOSCOW -- At least 1,000 people staged an illegal protest in a Moscow square Sunday against communist rule....

The Democratic Union, an opposition group which organized the demonstration to press for official recognition of the February 1917 revolution, said police detained about 40 people during the banned protest....

"We've been taught since we took mother's milk that the communists had a monopoly on the truth," shouted one woman. "It's time people opened their eyes." (Reuter)

## ACCORD SET ON TECHNOLOGY TRANSFER

The Defense Department has agreed to share power with the Commerce Department in approving deals giving allies advanced technology to build their own weapon systems, administration sources said yesterday.

The Commerce Department's role will be to ensure that the technology transfer does not erode the U.S. industrial base or weaken it economically, the sources said. "Essentially, this is the first time there is a recognition that Commerce needs to play a role like MITI (Japan's Ministry of International Trade and Industry) to make sure we remain industrially competitive," an administration source said....

The decision is a victory for Commerce Secretary Mosbacher, who led the battle to revise a Pentagon-negotiated arrangement that allows Japan to build a new-generation jet fighter...with American technology. Opponents of the FSX deal have called it a giveaway of U.S. technology that will allow Japan to achieve its stated aim of developing a civil aviation industry in the next decade....

When the deal is presented to Bush later this week, he is expected to allow it but impose "significant limits" on the flow of technology to Japan. The limits are expected to include barriers to the transfer of engine, aerodynamic and radar technology, administration officials said.

(Stuart Auerbach, Washington Post, A24)

## BOTHA SAYS HE WON'T STEP DOWN

JOHANNESBURG -- South African President Botha tonight ruled out the possibility he would soon retire from office and said he intended to postpone elections for a new Parliament -- and the end of his term -- from September until next spring.

In a combative speech broadcast nationally on state-run television, the ailing 73-year-old Botha warned his critics not to "sow political confusion" and said he would not be pressured by restive Cabinet ministers or his ruling National Party to leave office early.

(William Claiborne, Washington Post, A1)

-end of A-section-

## NETWORK NEWS SUMMARY

(Sunday Evening, March 12)

### NEWSWEEK POLL

ABC's Sam Donaldson: It may appear to many observers that President Bush is getting off to a rocky start, and the John Tower episode didn't help. But that doesn't seem to be the case, as reported in a Newsweek poll: 62% of the public now approves of the way Mr. Bush is handling his job, according to the poll; up from 55% last month and higher than Ronald Reagan's rating eight years ago. But if Mr. Bush is faring quite well in popularity, the man he defeated isn't. A poll published today in The Boston Globe finds that Gov. Michael Dukakis' approval rating in Massachusetts has plummeted to 19%. In what a difference a year makes, one year ago Dukakis had a 79% approval rating. (ABC-3)

### SAN DIEGO FIREBOMB/IRAN

Donaldson reports that an Iranian English language newspaper published in Tehran today blamed the FBI for Friday's firebombing in San Diego of Navy Capt. Will Rogers' van. The newspaper said the FBI wanted to implicate Iran because of Western anger over the Ayatollah Khomeini's death sentence on Rushdie.

ABC's Brian Rooney reports that Rogers was reportedly being questioned again today in what has become an intense investigation. The van has been taken to an undisclosed location for further examination, but over the weekend the FBI continued to say the method and the motive for the bombing are still unknown.

(FBI Director Sessions: "We are deeply concerned about that type of activity whether it is, in fact, a terrorist act or not. And at this point we cannot say for certain it is -- what the causes of it were -- whether it was purely a criminal act which was not connected with terrorists in any way. But you just can't tell at this stage.")

The clues are in the little bits and pieces picked up at the scene of the bombing Friday and Saturday. The FBI says they will send evidence to their laboratory in Washington. (ABC-5)

### ISRAEL/PLO

Donaldson: President Bush and Israeli Foreign Minister Moshe Arens meet tomorrow at the White House with Mr. Bush prepared to make new suggestions for getting things moving again in the long-running, often-stalled Mideast peace process. But none of the parties is voicing any advance praise for the Administration's ideas.

ABC's David Ensor reports that Israel's foreign minister arrived in Washington without comment on reports he'll hear tomorrow from the Bush Administration that it would like to see concessions now by both Israel and the PLO. For starters, to improve the atmosphere for peace talks, Israel will be asked to release more arrested Palestinians; to reopen schools in the occupied territories; to stop the practice of destroying the homes of Palestinians suspected of violence against Israelis.

Ensor continues: For its part, the PLO will be asked this week in Tunis by U.S. Ambassador Pelletreau to stop violent demonstrations in the West Bank and Gaza and to put a stop to Palestinian attempts -- so far unsuccessful -- to attack Israel from southern Lebanon. But an adviser to Arafat, who is in New York attending a conference on the Middle East, said this weekend that stone throwing and attacks will not stop until the Israelis also show more restraint. The Bush Administration's goal is to go at Middle East peace step-by-step -- no dramatic U.S. peace plan -- just convince both sides to show by concrete moves that they are serious. But critics say without an all-out American effort, including a good deal of pressure on both sides, there won't be progress in the Middle East. (ABC-4, CBS-5)

NBC's Garrick Utley: Tomorrow the Bush Administration will begin asking both sides to take steps to limit the current violence and tensions. The initiative comes as Israel's Foreign Minister Moshe Arens is visiting Washington. However, no one is setting their hopes very high.

NBC's John Dancy reports that Secretary Baker has made it clear these kinds of confidence-building steps have to precede any international conference or direct talks between Israel and the Palestinians.

(Secretary Baker remarks Tuesday: "The situation cries out for some hard work on the ground to bring about an atmosphere that will be conducive to ultimately direct negotiations between the parties.") But even first steps will be difficult. The intefada has put intense pressure on Israel, and Mideast experts say the Palestinians won't readily give them up. Israeli officials say Arens will not comment on the Administration's proposals until after he meets with Secretary Baker tomorrow. The new Administration has made it clear it wants to move slowly on the Middle East. But it does want to move and not stand still. Officials believe the first moves have to be for the Israelis and Palestinians to begin easing tensions and building some confidence in each other.

NBC's Martin Fletcher reports that the PLO is trying to bypass the army and the government by talking directly to the people. In a videotape smuggled into Israel, a PLO leader claims the PLO no longer wants to destroy Israel. And opinion polls show more than half of all Israelis are now ready to talk to the PLO. Not Prime Minister Yitzhak Shamir. He says Israel will never talk to Yasser Arafat.

(Prime Minister Shamir: "He wants to make himself an impression that he is moderate, that he is not any more interested in the destruction of Israel. But we know the truth. The PLO has not changed.") The proof, says Shamir: Look at the Palestinians still being killed trying to infiltrate Israel. But Arafat says they're not his men, but other Palestinians who want to undermine his moves towards peace with Israel. This morning Israel killed two more guerrillas on a mission to attack Israel. They were members of the Syrian-backed PFLPGC, not part of the PLO. That backs up Arafat's case, but also supports Shamir's argument that Arafat can't speak for all of the Palestinians. (NBC-Lead)

## STINGER MISSILES

CBS's Susan Spencer: The last Administration sold Stinger missiles to the Afghan rebels. Now the new Administration apparently wants them back. The New York Times reports today that the White House is worried that the weapons will fall into the wrong hands. Under consideration: a deal to trade agricultural or medical supplies for those Stingers. (CBS-2)

## AFGHANISTAN

Spencer reports that some of the fiercest fighting ever in the decade-long Afghan civil war, as rebels today fired 3,000 rockets into the city of Jalalabad. Afghan President Najibullah appealed again to the United Nations to intervene. The Afghan government is paying a heavy price as it tries to hang on to that key city. (CBS-Lead)

Donaldson reports that an Afghan government spokesman said several foreign advisers were killed as they aided the guerrillas. The spokesman claimed two of them were Americans. The U.S. State Department called that claim "untrue." (ABC-6)

## MOSCOW PROTEST

Donaldson reports that in Moscow 1,000 people staged an illegal protest against Communist rule. Police waded in at intervals to seize placards and to tame protesters. One of the signs read, "Down with the Kremlin monarchy." (ABC-8)

## U.S. TROOPS/PANAMA

Utley reports that the Army Times charged today that American troops in Panama have been subjected to abductions and beatings in hundreds of incidents with Panamanian troops over the past few years. The newspaper quotes current and former government officials as saying the military is trying to downplay the incidents in order to avoid a confrontation with Gen. Manuel Noriega. (NBC-5)

## EL SALVADOR ELECTIONS

Utley talks with Arena Party candidate Alfredo Cristiani about the relationship between El Salvador and the U.S.

Utley: Has El Salvador become too dependent on the United States?

Cristiani: I think that the country would be in serious trouble if the U.S.A. should be withdrawn.

Utley: So what do you want to see if you're elected?

Cristiani: A continuation of the aid program that the United States has, but not in the sense that we will be asking for aid forever.

Utley: Isn't there a certain agreement between the United States and the government here, the Salvadorans themselves, that the aid comes in as long as certain rules are observed?

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Monday, March 13, 1989 -- B-4

Cristiani: There are two basic conditions by the U.S.A. It's the continuation of the democratic process and respect for human rights.

Utley: How do you explain [the increasing number of murders], and how does one justify it?

Cristiani: I think it's been partly due, if not totally due, to the fact that the FMLN has started to wage more terrorist activity in the urban areas.

Utley: If you are elected president, will you talk with the guerrillas?

Cristiani: Yes, definitely.

Utley: Do you believe that there would be peace in this country by the end of your term?

Cristiani: I think there's a much better chance now than there was a few years back, and I think that the international conditions have changed dramatically. This time everyone feels that there is a new sign of flexibility, the objective being them to incorporate in the democratic process makes it a much more viable process. (NBC-6)

#### BOTHA

Spencer reports that South African leader Botha, ignoring calls from his own ruling party that he resign, insisted today that he will stay in office another year. Botha returns to work this week after suffering a stroke in January. Botha has also suffered a new political setback from the powerful church of which he is a member.

CBS's Martha Teishner says that while some of South Africa's churches have been at the front line of the anti-apartheid struggle, the church of its white government leaders actually provided biblical justification for apartheid. But after years of soul-searching and a crisis summit this week, the white Dutch reform church finally declared that apartheid is a sin. (CBS-6)

#### DISCOVERY

Spencer says that word from the Kennedy Space Center today is that everything is looking very good for tomorrow's planned liftoff of Space Shuttle Discovery.

CBS's Peter Van Sant says that NASA is still trying to prove it can maintain a reliable shuttle schedule. Seven missions are planned this year, NASA hopes to work up to 14 missions by 1993. Once in space, Discovery's crew will release a \$100 million data and relay satellite which will dramatically improve communication between Earth and spacecraft. Also on board tomorrow's flight will be four rats and 32 chicken embryos which will be used to study how weightlessness affects bone growth and healing. NASA managers say they need to get Discovery into space this week or face the possibility of postponing the mission. Waiting in the wings is the shuttle Atlantis, which must launch a special probe to Venus next month.

(CBS-3, NBC-3)

Donaldson: Everything is looking good at this hour for tomorrow morning's scheduled launch of the space shuttle Discovery. "Seems a little scary, it's going so well," said launch test director Chuck Henschel. The replacement late today of a broken tile on the vehicle caused a slight delay in launch preparations, but at Cape Canaveral officials continue to be upbeat about liftoff. (ABC-Lead)

#### EASTERN AIRLINES

Spencer: Eastern Airlines, strike-bound and bound for bankruptcy court, launched a rebuilding campaign today by renewing service on seven overseas routes. And while the planes were flying the machinists still were walking.

CBS's Mark Phillips reports the striking machinists, pilots and flight attendants were holding rallies and maintaining their picket lines and enlisting support from pilots of other. (CBS-4)

ABC's John Quinones reports that in Washington today Cesar Chavez of the United Farm Workers joined in the pickets. (ABC-2)

Utley reports that the head of the striking machinists union asked President Bush again to intervene to end the strike, but the Administration said it wouldn't do so. (NBC-2)

#### HOUSING

CBS's Bill Plante reports on a program in New York sponsored by Catholic charities, which purchases vacant buildings and turns them over to families earning less than \$18,000 a year who are willing to put in 12 to 15 hours a week renovating the properties. That labor is called "sweat equity." And studies show real benefits to the low-income neighborhoods in which these urban homesteading projects are underway. Crime rates and drug abuse are down. There was a renewed enthusiasm for the community and new self-esteem for those involved. On any given day there are approximately 1½ million vacant housing units in the U.S. which could be used for urban homesteading projects. The cost of rehabilitating an existing unit is \$20-\$30 thousand.

Spencer reports that for first-time buyers homes grew less affordable last year. The nationwide average price of a new home: \$138,000. For many Americans that would mean the end of a dream. But in Boston you can build a dream with creative financing.

CBS's Richard Schlessinger reports from Boston on a funding scheme developed by the International Bricklayers Union. Along with two other unions, the bricklayers use their pension funds as a financial two-by-four. As large depositors, they convinced a local bank to issue a low-interest construction loan. The city and state governments chipped in to further reduce construction and mortgage costs, and the entire project is overseen by a nonprofit development company run by the bricklayers union itself.

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Spencer: Later this week major legislation aimed at making housing more affordable will be introduced in the U.S. Senate. Among the provisions, a special tax-deferred bank account to help home buyers save for that down payment. (CBS-7)

#### U.S. FLAG DISPUTE

Donaldson reports that in Chicago chanting veterans and their supporters jammed Michigan Ave., forcing the art institute there to close temporarily an exhibit in which an American flag is spread on the ground. (ABC-7)

-end of B-section-

EDITOR'S NOTE: The following pages summarize Sunday talk shows: ABC's "This Week with David Brinkley," NBC's "Meet the Press," CBS's "Face the Nation," and "The McLaughlin Group."

## **ABC -- THIS WEEK WITH DAVID BRINKLEY**

Moderator: David Brinkley. Panel: Sam Donaldson and George Will.

Guests: Reps. Oberstar and Gingrich; followed by former Eastern chairman Frank Borman and Capt. Henry Duffy, President of the Airline Pilots' Association.

Subject: Eastern Airlines.

Will: ...Why is this a government matter, the fact that the market seems to be squeezing an airline out?

Gingrich: ...I said, in fact, I thought this was a traditional union-management fight, that the right to strike has to involve the right to strike, I oppose a presidential emergency board.... I simply want to see people sit down in a room and try to solve the problem. I'm against the federal government getting involved.

Oberstar: I think George Will's question is very important. It goes to the heart of the issue here: Why should government be involved in this case when, if this were the bricklayers striking against the construction company, Congress wouldn't be considering such legislation.... The fact is that in the transportation industry, the Railway Labor Act governs. It says the public interest is dominant. There is no industry so heavily regulated by government as the airline industry. And until we take airlines out from under the Railway Labor Act, government is going to have to be involved.

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DISCUSSION SEGMENT -- Hodding Carter joins panel.

On the fallout from the Tower nomination:

Will: I don't think there were any winners in all this. I think...there's been a tendency to say, well, now Congress will want to bend over backwards and be kind to the President. That does not obscure the fact that the President has suffered a devastating defeat as has the tone and civility of life in Washington.

Donaldson: It certainly is true, I think Mr. Bush is going to have a tougher time with Congress because of the Tower fiasco than he would have if he had 14-15-16 of his nominees sail right through. I think it's too bad that this became a partisan fight. It was at the end. It need not have been that way....

Carter: ...What I'm worried about being left on the floor here is an entirely new standard which really came out of the box and is now out of the box to stay. And it's a lot different. The new standard is that you are going to say in effect that every element of personal morality is now a fit test to bring for public performance....

Will: I've spoken with people who have been investigated by the FBI for government jobs several times, and they've watched how the kind of questions asked have changed over the recent years, particularly after the Ginsburg episode.... It may be time for us to have a little civil disobedience, if that's what it is, that when the FBI comes around with its list of questions about a prospective nominee for a government position, saying, "Does he or she smoke or has she used controlled substances?", say, "It's none of your business."  
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Donaldson: ...I think the standards should be high. And I think the strengthening of moral and ethical standards is a very good thing. But I do not think a double standard ought to apply. So I have some sympathy for John Tower because it's quite true many of the United States senators over the years that I've covered and known also had, to the extent Tower has it, a drinking problem....

On the Cheney nomination and his chances for confirmation:

Will: I think they're kind of good [laughter].

Donaldson: Like a greased pig down a chute.

Will: The more interesting question is, Larry Eagleburger was going to be bothered, I think, by lots of yimmering about conflicts of interest...and I think he's apt to go through much more easily.... I think the fight has gone out of everybody.

Carter: He's still going to have trouble because some of those who weren't fighting on this one have their own issues to raise [regarding Eagleburger].

Donaldson: ...Bear in mind that Dick Cheney is to the right of most of the people on Capitol Hill.... But Cheney, on the other hand, is well respected and rightfully so because of his honesty, his integrity and his intelligence --

On William Bennett, Secretary Sullivan and supplying drug needles to addicts:

Will: ...It's not clear that the federal government under existing law is allowed to help communities give needles to addicts. But I think in this case Sullivan is right. We have a huge, expensive [crisis] to begin with, but more than that, the human tragedy of AIDS is becoming now a disease of the inner city poor and particularly the intravenous drug abusers. That's why we're getting so many babies born with AIDS. That's why 5%, I believe, of New York City's hospital beds today are occupied by AIDS patients. It's going to break the banks and the budgets of a number of cities. Bennett's argument -- it's not trivial -- he says that...muddies the message. I, however, don't believe that anyone driven to shove a needle in their veins to inject themselves with a dangerous chemical is going to be encouraged or deterred in any way by this subtle message. I think it's more important to get the dirty needles out and stop the spread of AIDS.

Donaldson: I agree completely with you, George.... I would think using needles in this way to help prevent the spread of AIDS is a public plus.

Carter: It's a plus and I wish that I thought it was going to have more than a fractional effect on the real spread.

On Washington D.C.'s record murder rate and its relation to drugs:

Will: The problem is that the people being killed -- let's be blunt -- are poor black people and they're being killed in their own neighborhoods. And as long as, and it is increasingly the case that, drugs -- like AIDS -- is becoming a problem of "those people" confined to an inner city neighborhood, society is going to lose interest in it....

Donaldson: I'm a great one for preaching...for correcting root causes of problems. But right now in Washington what needs to be done is a strike force made up of -- it is a federal city still -- of federal and local authorities need to go in there and they need, at least for a short period of time, to cordon off these neighborhoods and get these drug dealers out and put them in jail.

Brinkley: We don't have any place to put them. The jails are all full. Washington D.C. has been shipping inmates of our jails all the way to the State of Washington, all the way across the country, because they have some empty cells.

Carter: ...But if you're talking about a kid who's already in his own prison and he has a chance to make \$100,000 by very little bit of action, there'll be 10 to replace each one you put in prison.

On semi-automatic weapons:

Will: We could have an act of presidential leadership. The President has waffled hither and yon on the subject of whether semi-automatic or automatic assault rifles ought to be banned. What kind of country is it that has to debate a thing like that?

Donaldson: What kind of mind is it that waffles on something like that? ...You're nuts, folks, if you think these weapons do anything except kill people. And you have no right, it seems to me, to assert a constitutional privilege to have that kind of weapon.

###

## **NBC -- MEET THE PRESS**

Moderator: Garrick Utley. Panel: Elizabeth Drew, R.W. Apple.

Guest: Senator Dole.

Utley: Bob Dole led the fight to get Tower confirmed, although there are many who believe that the way the White House handled the affair was a bit short on political finesse. Senator, the shooting in the John Tower battle is now ended. But is the war over?

Sen. Dole: I think you could say the nomination is gone but not forgotten. It'll be around for a while -- the memories will be around for a while, there'll be some bruised feelings, but I think probably 30 to 60 days we'll be back to normal. The scars aren't that deep. It was an easy thing for the Democrats on a party-line vote to kill the Tower nomination. It wasn't a big issue, just a former colleague, and I think once Sam Nunn decided he should not be secretary of defense it wasn't very difficult for the Democrats....

Utley: ...On Friday Vice President Quayle made a speech in Indiana, and he raised the specter of McCarthyism.... Do you agree with that statement?

Sen. Dole: I had that statement in my final speech and I took it out....

Utley: Why did you put it in your final speech? That's interesting.

Sen. Dole: ...It was in a draft that I saw, and I didn't take it out. But when I made my statement on the Senate floor I just skipped over that particular line.

Utley: Do you disagree with that statement that Quayle made?

Sen. Dole: Not necessarily. It was rough and tough, and there wasn't any doubt in my mind this was a no-holds-barred partisan fight. The Democrats denied a debate.... They knew when they had the votes. They let people off the hook, but we did the best we could.

Drew: You said that the process by which the Senate Armed Services proceeded was a very thorough, very fair procedure. That was just before they voted. Then they voted. So was it the procedure you didn't like or the outcome you didn't like?

Sen. Dole: It was the abrupt change in the strategy by Sen. Nunn. We thought we had three votes on the committee going in. We learned later that they were personally visited by Sen. Nunn. It became a Nunn vs. Bush operation and they had more votes and we knew we were going to be in trouble.... It was all designed to get John Tower. Sam Nunn got John Tower. Maybe he's happy now.

Apple: What are his chances of being the de facto secretary of defense with Dick Cheney in place?

Sen. Dole: Dick Cheney is a quick study. He's been around in politics, he understands politics; in my view he'll work with Sen. Nunn as he should. And Sen. Nunn should work with him. But Dick Cheney will be his own boss. He'll not take orders from some staff member on a committee somewhere.

Apple: What did you think this showed us, this operation, about the way the White House staff functions? I don't think very many people were impressed by the lobbying effort.

Sen. Dole: ...In my view, I think the staff and the President -- I think the President, as he said himself -- should have probably sent the nomination up a bit earlier, because these leaks were coming in every day.... But I can't recall any time when I wasn't in constant touch with the chief of staff or the President. And to me they did everything they could.

Apple: Does [John Sununu] understand Washington and Capitol Hill?

Sen. Dole: He's beginning to. It takes a while. You can't expect somebody to unpack one day and be an expert --

Utley: Do you accept Mitchell's statement at face value of the Democrats not trying to hurt the presidency, or do you think that they're really going after Mr. Bush?

Sen. Dole: I sort of agree with The Washington Post. The Democrats should have told us a couple of weeks ago, "We just don't want John Tower." And that would have been the end of it. But they played all these games and made it appear that they were agonizing every day and going through all this....

Utley: Is partisanship, though, going to get out of control right now?

Sen. Dole: Nothing wrong with partisanship. I've never seen a non-partisan senator yet. Sam Nunn thought he was, but he's now a partisan like the rest of us.

Utley: Do you think George Bush turns the other cheek too frequently?

Sen. Dole: No, no. I think the President took the high ground. I think he left it up to me and others in the Senate to make the case for John Tower.

Apple: The President didn't lose?

Sen. Dole: My view is that it's sort of a wash. I think he lost in the sense he didn't get John Tower, but he won in the sense that he stuck up for John Tower until the end. I think he gained a lot of friends on the Republican side....

Utley: Looking at the Bush Administration and how it's performing, give us a grade for these first 50 days or so.

Sen. Dole: I think it's pretty much -- about a 62% grade according to the Newsweek poll coming out tomorrow. I think the performance, I would say "B+" to an "A".

Utley: If you were president and not he, how would you have handled this nomination differently?

Sen. Dole: Well, my focus was a rougher, tougher America. His was a kinder, gentler America. Who knows? I think the one thing that can be said: I think with Ronald Reagan there was always sort of a fear of Ronald Reagan -- I don't mean that you were shaking -- but you kind of knew that this guy had a hard core out there and if you didn't try to support him you were going to be in trouble. I don't quite see that. I think the Democrats say, "So we'll vote against Tower, won't make any difference to George Bush." But George Bush, in my view, has got a pretty good memory. He's not going to do anything bad, but he remembers who helps and who hurts in the process.

Drew: Carrying on with the point you were making, the implication that nobody's afraid of George Bush -- how does this play out, then, when he comes up for other hard things? Does he have much reduced power, let's say, than Ronald Reagan did?

Sen. Dole: I think it's too early to tell. I think the thing that offsets that is Bush's style. He must have called me a dozen times on the Tower nomination, and I'd call him back.... He has a good relationship with a lot of people. Even in the Tower debate Sen. Bennett Johnston came around and said, "Let's don't attack Sam Nunn, let's don't make this personal." He thought he might vote for us; he didn't do it. So I think it was a good exercise, a lot of people learned from it.

Drew: When you said it didn't hurt Mr. Bush it did consume three weeks early in his presidency. Instead of our hearing about his proposals we heard this. Didn't that hurt him?

Sen. Dole: Not really, because they're still working on the proposals. Congress wasn't doing much else, particularly the Senate -- we don't have a single committee vote next week, for example. The Bush agenda will come to us right after the Easter recess: education, the environment, a lot of these things -- childcare -- President Bush has talked about. There is a Bush agenda, it's going to be coming very soon, and I think the American people are going to like it.

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## **CBS -- FACE THE NATION**

Moderator: Lesley Stahl.

Guests: International Association of Machinists President William Winpisinger and Secretary Skinner.

Subject: Eastern Airlines.

Stahl: If you had your druthers and could dictate to President Bush, what would you want him to do right now?

Winpisinger: I think President Bush, if he's going to be even-handed, would declare that a state of transportation emergency does exist. He has a secretary of transportation who, a couple of years ago in a localized situation in Chicago when there was a strike threatened on the Chicago Northwestern Railroad, asked the Administration of Ronald Reagan for an emergency board, that it was a substantial disruption.... And the emergency board was granted. He sits today as a representative of President Bush...but he says that this is no disruption....

Stahl: Is George Bush now labor's enemy here?

Winpisinger: It certainly doesn't send a very encouraging signal. We're at about the same point in his Administration as we were in that of President Reagan when he squashed the [air traffic controllers'] organization...and we had the biggest union-busting binge in history since then.

Stahl: So is he the enemy?

Winpisinger: It looks like he's at least modestly continuing it, and if that turns out to be the case, yes, he'll be the enemy.

Stahl: Is there any chance right now that President Bush is considering calling an emergency board, getting the Eastern planes back in the air and forcing some kind of settlement on the unions and Eastern Airlines?

Skinner: No. I talk with him almost every day on this matter directly.... He firmly believes that labor and management must resolve this dispute in the free enterprise system and that a cooling off period would do no good whatsoever. There is no emergency, and it's his belief that the normal collective bargaining process should go forward....

Stahl: Do you think that they were planning to go into bankruptcy all along, which of course is the union charge?

Skinner: I have no idea. It doesn't make any sense to me, however, having been in private practice, that a company comes up with a plan to go into bankruptcy....

Stahl: ...The unions say that [Lorenzo] planned this so that he could produce a non-union shop as he did with Continental Airlines. And he said that the unions wanted this to break him so that another buyer could come in and buy up Eastern. Which is true?

Skinner: I have no idea. But that's just a perfect example of why the President's decision is correct, and that we should not get in the middle of a dispute of this intensity between management and labor. They should work this out themselves, because no company can survive if Congress tells them how much they're going to have to pay or how much they're going to earn.

Stahl: Why is this not an emergency...?

Skinner: Because they have about six percent of the market. That six percent share has been picked up by other carriers.... The real tragedy, of course, is the 30,000 employees at Eastern Airlines who now are out of work.

Stahl: What's the government's role in [helping to promote competition]?

Skinner: ...I have commissioned a top-priority task force at the Department of Transportation. We are studying all aspects of competition. We want to make sure we are doing as a policy maker everything we can do to ensure a competitive environment. That task force will begin to report within 30 days. I think by the end of this spring we'll have a real good handle on where the industry stands in regards to deregulation, then we'll take actions as appropriate.

Stahl: Would you re-regulate if necessary?

Skinner: I think that a lot can be done to increase competition in the airline industry without re-regulation. But exactly what those steps are and where they should be taken awaits the task force.

Stahl: In this Administration...is there something holy about that system of deregulation?

Skinner: This is a reasoned Administration. We're going to look at it on a reasoned basis. I happen to think, for instance, that regulation in the freight industry...is essential.... In that area I happen to personally believe that regulation is appropriate to some degree, and I would support it. And I have supported it in my testimony on the Hill during my confirmation.

Stahl: And you would this time if your review concludes that this is hurting the American public, or, what is the criterion?

Skinner: The ultimate criterion is what can we do that best helps the American consumer get the best product and remain competitive....

Stahl: You initially blamed the unions for this.... Do you still think that?

Skinner: ....I believe that in a labor dispute of this intensity there are probably problems on both sides, and both sides probably would have done something different had they known they would be where they are today. That is, however, none of our business. We're not in the business of running Eastern Airlines or negotiating the contract for labor.

## **THE McLAUGHLIN GROUP**

Moderator: John McLaughlin.

Guests: Pat Buchanan, Michael Kramer, Jack Germond, Morton Kondracke.

On the Senate's handling of the Tower nomination: What are the implications of this political calamity?

Buchanan: It is goodbye kinder-and-gentler and hello us-versus-them in Washington, D.C. I think in the last two weeks, Bush, Dole and Tower have conducted themselves extremely well in defeat, especially John Tower in his graciousness. The loser in the last two weeks has been Sam Nunn, whose halo is dented. It has also been the U.S. Senate and it has also been the United States, I think. And I think that in the long run maybe Bush will come out of this stronger. But it is a defeat.

Kramer: Exactly wrong. Sam Nunn is not a loser; he's a winner in this....

Germond: There's a lot of apocalyptic talk about the impact of this thing and there is some bad blood in the Senate and a lot of people are very unhappy about this. I think it would be a mistake to think that most of the Republicans enjoyed going through this and having to stand up for Tower or that most of the Democrats enjoyed it either. If they were going to show partisan muscle, there were other places to do it. On the other hand, I think it's also a mistake to think that the Senate will be divided on harsh partisan lines on other issues for the rest of Bush's first year. I don't think that's true. On the contrary, I think the Democrats are going to be looking for ways to accommodate them.

Kondracke: ...John Tower was a bad choice. He's not a manager. He had these personal flaws in his background. On the other hand, the case was not proved. I mean after all this FBI investigation, I have to agree with The Washington Post that Sam Nunn never made his case. And yet, if you look at winners and losers in this whole thing, Sam Nunn was a nerdy little goody-two-shoes to begin with, but what happens, he comes out and fights an alley brawl, he keeps his gang together, and I think he's a national leader.

On the Bush Administration's performance:

Kramer: The signs are not good.... This is amateur hour. This is not the administration of a man who ran on the slogan saying "ready on day one to be a great President." He's clearly not in tune with the toughness that's required to prevail in a situation like this. He's not Ronald Reagan, and he doesn't understand that.

Germond: ...I don't think most of these things are very serious...but I think there is one clear problem in this Administration: that is they have not made the transition from the campaign mode to the governing mode. And the proof of this is we've just had "drug week." And the President is running around doing media events.... Media events are not going to get this Administration through. What he needs to do -- particularly in the wake of the Tower thing -- is convince them by serious effort on serious issues.

-more-

McLaughlin: How does he get momentum back?

Kondracke: They are beginning to do things; like there is a Third World debt program coming along, which they should have had out earlier. That is a very big issue. They've got to address the competitiveness crisis in this country, the fact that in one high-tech area after another the United States is losing its competitive edge.... They stumbled in the starting gate. Now they can regain their momentum, but they've got some heavy thinking to do.

Buchanan: I think the problem is very fundamental. George Bush sees himself, I think, in the Eisenhower mode as a passive conservative President who deals with problems like debt crisis when they come to him. The presidency was changed by Jack Kennedy and Ronald Reagan. You have to be an activist conservative with an agenda; otherwise the media will eat you alive and I don't think the President has come to understand that.

McLaughlin: On a scale of failure to success, zero being metaphysical failure, 10 being metaphysical success...would you rate George Bush's first 50 days in office.

Buchanan: ...I'd give him a six. Kramer: Four. Germond: I'll say five. Kondracke: Four. McLaughlin: The majority is four.

On Eastern Airlines:

McLaughlin: Were you satisfied in George Bush's role in this? He appears to have punted.

Kramer: He did punt. He punted again.

Kondracke: I don't think he punted. I think what he did was he and Skinner said we're not going to play the unions' game.

Buchanan: George Bush did exactly the right thing. He said it's a fight inside Eastern Airlines, it's not an emergency. Stay out.

On the meeting between Secretary Baker and Foreign Minister Shevardnadze: What's the big story?

Buchanan: I think the Soviets continue to hold the diplomatic and political offensive almost all over the world right now.

Kramer: I think the big story is that this is the beginning of what we're going to see is increasing linkage, drawing the Soviets into both the Middle East and Central America and trying to use their desperate need for our money and our credits to our advantage.

Germond: It's a medium-sized story with Shevardnadze's offer on conventional weapons.

Kondracke: The big story here is that the Soviet Union is coming in our direction. They are now prepared to make massive cuts in their conventional forces. That's a victory for us. But we don't have the wit to claim it.

245 - THE PRESIDENT HAS SEEN  
Oval Office

FOR DISCUSSION 3/13/89

Darman et al

I. BUDGET NEGOTIATIONS

(1) Status: We're still on 3-tracks -- with all going relatively well (all things considered).

o Track 1 -- President's Congressional Leadership Group:

- meeting again tomorrow;
- Finance, Ways & Means, Appropriations included.

o Track 2 -- Bipartisan Joint Budget Committee Task Force:

- formalized as a "negotiating group" via Sasser-Panetta letter to Mitchell-Wright (March 8 letter attached);
- scheduled to meet again several times this week;
- progress report due to House and Senate leadership March 23 (see letter);
- scope (in letter) limited to FY '90 -- two-week negotiating period;
- tentative informal agreement that scope and time-frame for negotiations must extend beyond FY '90/March 23.

o Track 3 -- Conventional Process of Testimony and Submissions:

- going along as usual -- except
  - oo ahead of schedule;
  - oo tone better than 2 weeks ago and better than usual.

(2) Next Steps: NOTE -- Good news can't last too much longer. Tougher parts are coming fast.

- o Track 1: There is tension between Wright's decision to minimize both formalization and the Budget Summit parallel and the non-Budget Committee players' desire to get into the action in a way that looks like a Budget Summit.

*[Handwritten signatures and initials]*

Bush Presidential Library Photocopy

o Track 2:

-- Alternative packages are being framed in broad categories of revenue/expenditure -- as in the Budget Summit. That's good.... But

- oo the substance of many packages will cause difficulty;
- oo if we do agree, ties to particular revenue bills, reconciliation bills, and appropriations will have to be nailed down (substantively and procedurally).

-- We can probably get the Democrats to accept our economic assumptions and no new taxes.... But

- oo that will put even more pressure on defense, space station, international programs;
- oo it will run market risks for its being less "credible";
- oo it will leave big problems for '91;
- oo it may not get us by sequester;
- oo it therefore argues strongly for

-- not overselling a near-term agreement on '90;

-- keeping negotiations going beyond the near-term (i.e., even after the budget resolution agreement, if any).

II. FY'89 SUPPLEMENTALS (See Appendix)

This is a head-ache left over from the Reagan administration. President Reagan sent up 23 supplementals for FY '89. We incorporated these in the February 9 budget.

Unfortunately, the supplementals were not fully offset when submitted by President Reagan. Further, the Reagan set did not include some other FY '89 bills that are coming due. We have to submit additional supplementals for FY '89 (see appendix).

Further, we need to be sure that all the discretionary (as opposed to "mandatory") supplementals are fully offset. If we do not, we will lose the ability to limit supplementals; Congressional discipline on this subject may totally break down (it will, to some degree, anyhow); FY '89 will keep climbing; and the spill-over effect on FY '90 will create additional problems.

1.7 auth  
2.2 outlay

The hard part is not submitting the supplementals. It's finding the additional offsets. We have already used all the easy ones. We could approach the remainder in one of three ways:

(1) Find additional programs to cut -- program by program -- where there is a reasonable chance of actually getting the savings (via Congressional agreement). Unfortunately, this approach has been largely exhausted.

(2) Propose to use the Reagan program eliminations as the offsets. Unfortunately, this would run against the politics of what we have been doing to date -- and it would not be legislated in any case.

X (3) Propose an across-the-board cut in FY '89 discretionary programs (in a percentage amount necessary to make the math work) -- with the following programs as the base to be cut. Cut either:

(a) all discretionary programs (including defense and other priority programs); or

(b) all non-defense discretionary programs (excluding defense, but including priority programs); or

(c) all non-defense ( non-priority ) discretionary programs.

The percentage cuts for each option required would be approximately:

(a) .21% of total budget authority;

(b) .53% of total budget authority;

X (c) .85% of total budget authority.

Obviously, the percentage cut for option (a) is more attractive. But it would not only cut defense, it would also tempt the Congress to use the same technique and increase supplementals even more (financed with a "tiny" defense cut). The better choices would seem to be either (b) or (c). (b) would be more popular; (c) is more consistent with our approach to date.

# Congress of the United States

Washington, D.C. 20515

March 8, 1989

The Honorable James C. Wright, Jr.  
Speaker  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

As you know, a task force consisting of the chairmen and ranking members of the House and Senate Budget Committees and OMB Director Richard Darman has recently concluded a series of meetings in which we discussed President Bush's Fiscal Year 1990 budget proposal and other matters relating to budget options for the upcoming fiscal year. While many questions remain about the President's policies we believe these discussions have been frank and constructive.

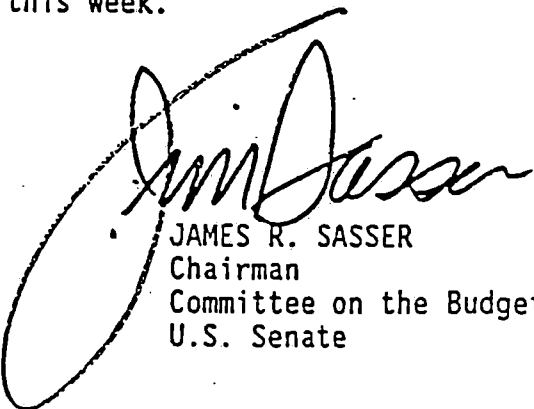
We propose that the budget task force discussions enter a new phase: an exploration of areas of possible compromise between Congress and the administration on a Fiscal Year 1990 budget. These negotiations would begin immediately within a tight time frame of two weeks. We would recommend that by March 23 we shall report to House and Senate leadership on the progress of these negotiations and areas of agreement, if any.

This timetable will ensure that whatever the outcome, the Budget Committees can proceed to meet key Budget Act deadlines regarding action on a congressional budget resolution for Fiscal Year 1990. We also propose that during this time period task force members consult closely with House and Senate Committee chairmen and ranking members whose committees have jurisdiction over programs and policies being considered by the task force.

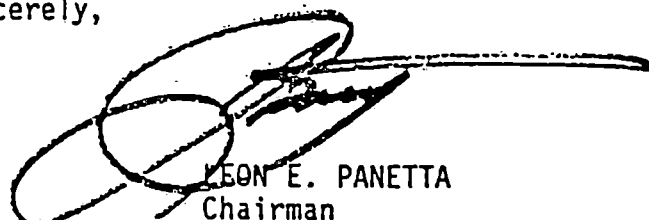
With the difficult budget issues facing the President and the Congress this year we believe these negotiations will be useful in determining whether a really strong and credible deficit reduction package can be achieved.

We look forward to meeting with you on this proposal as soon as possible this week.

Sincerely,



JAMES R. SASSER  
Chairman  
Committee on the Budget  
U.S. Senate



LEON E. PANETTA  
Chairman  
Committee on the Budget  
U.S. House of Representatives

## Reagan Administration Supplementals

## Mandatory Supplementals:

|                                                                                                                                                                                                                                                                                   | (in millions of dollars)<br>Budget<br><u>Authority</u> | <u>Outlays</u> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------|
| Department of Education                                                                                                                                                                                                                                                           |                                                        |                |
| Office of Postsecondary Education                                                                                                                                                                                                                                                 |                                                        |                |
| Guaranteed Student Loans- This proposal funds the effects of higher interest rates and greater-than-anticipated demand for loans. The Reagan budget proposed \$329.9 million, which has been increased to \$892.5 million.....                                                    | (permanent contract authority)                         | 713.9          |
| Department of Health and Human Services                                                                                                                                                                                                                                           |                                                        |                |
| Office of Human Development Services                                                                                                                                                                                                                                              |                                                        |                |
| Payments to States for Foster Care and Adoption Assistance- This would provide funding to pay the States prior years' claims. It has been reduced by \$175.3 million from the Reagan budget.....                                                                                  | 423.3                                                  | 423.3          |
| Department of Labor                                                                                                                                                                                                                                                               |                                                        |                |
| Employment and Training Administration                                                                                                                                                                                                                                            |                                                        |                |
| Training and Employment Services- This proposal would fund increased training, job search, relocation, and other services authorized as entitlements by recent amendments to the Trade Act and would provide more flexibility in operating and funding the Job Corps centers..... | 34.6                                                   | 11.8           |
| Federal Unemployment Benefits and Allowances- This proposal is needed to finance benefits under the Trade Adjustment Assistance program.....                                                                                                                                      | 92.0                                                   | 92.0           |
| Department of Transportation                                                                                                                                                                                                                                                      |                                                        |                |
| Aircraft Purchase Loan Guarantee Program- This proposal would repay to Treasury funds borrowed in the past, together with accrued interest.....                                                                                                                                   | 1.1                                                    | 1.1            |
| Department of Veterans Affairs                                                                                                                                                                                                                                                    |                                                        |                |
| Compensation and Pensions- This would finance a cost-of-living increase for compensation recipients, as well as increased costs associated with several laws enacted in 1988.....                                                                                                 | 701.5                                                  | 664.2          |

(in millions of dollars)

Budget

Authority

Outlays

Readjustment Benefits- This would provide funding to finance implementation of new legislation that increased specially adapted housing grants as well as higher-than-expected costs per case..... 22.2 21.2

Loan Guaranty Revolving Fund- This proposal would provide the additional funding required due to greater-than-expected foreclosures and loan repurchases. The Reagan budget included \$311.8 million for this proposal, which has been reduced to \$130 million, based on recent experience with the Fund..... 130.0. 130.0

|                              |         |         |
|------------------------------|---------|---------|
| Total, Reagan Administration |         |         |
| Mandatory Supplementals....  | 1,404.9 | 2,057.5 |

Discretionary Supplementals:

Department of Agriculture

Agricultural Stabilization and  
Conservation Service (ASCS)-

Would provide transfer authority from  
Commodity Credit Corporation funds  
to ASCS to carry out workload associated  
with the 1988 Disaster Assistance  
Act.....

(transfer  
authority) ---

Forest Service

National Forest System

Cooperative Work Trust Fund-

Restoration of funds borrowed  
to fight fires in 1988.....

250.0 ---

Department of Commerce

National Oceanic and Atmospheric  
Administration

\$19.2 million is proposed for transfer  
from unobligated fund balances in the  
Economic Development Revolving  
Fund to fund the geostationary  
satellite program.....

(transfer  
authority) 13.1

(in millions of dollars)

Budget  
Authority

Outlays

Department of Education

Office of Postsecondary Education

Student Financial Assistance-

Reappropriation of 1988 funds to  
correct a technical error.....

4.3

0.4

Department of Health and Human Services

National Institutes of Health

Building and Facilities- This proposal  
would permit unused funds and recoveries  
of grant awards to be used, up to a total  
of \$96 million for construction of a new (appropriations  
building on the NIH campus..... language) ---

Department of Housing and Urban Development

Management and Administration

Salaries and expenses- This proposal would  
fund the implementation of the Fair Housing  
Amendments of 1988 with funds transfer-  
red from the Rehabilitation Loan (transfer  
Fund..... authority) 3.5

General Provisions- A provision that  
unduly restricts the transportation (appropriations  
of agency heads would be removed..... language) ---

Department of Justice

Legal activities- This would provide  
\$2.1 million to implement the Civil  
Liberties Act of 1988. It also  
includes \$1.3 million to provide for the  
prosecution of financial institution  
fraud cases.....

3.4

3.1

Office of Justice Programs

Justice Assistance- This would provide  
additional funding for the Public Safety  
Officers' benefits program consistent with  
recent legislation enhancing the program. 2.9 2.9

(in millions of dollars)

Budget  
Authority

Outlays

Department of Labor

Departmental Management

Salaries and expenses- This proposal would provide for additional workload for adjudicatory activities under the Longshore and Harbor Workers's Compensation Act.

1.4

1.4

Department of State

General Provisions- This language would permit the President to transfer from funds provided in prior years to the Department of Defense and from any funds provided under the Foreign Operations Appropriations bill, up to a limit of \$125 million, to finance or reimburse activities for new international peacekeeping activities.....

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90.0

Department of Transportation

Federal Aviation Administration

Operations- This proposal would transfer funds from various highway projects to finance various projects associated with employee health benefits, pay, and training costs.....

40.7

35.8

Maritime Administration

Federal Ship Financing Fund- This proposal would repay to Treasury 1987 and 1988 borrowings that were necessary to pay loan guarantees.....

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Department of the Treasury

Departmental Offices

Salaries and expenses- This authority would enable the Secretary to transfer \$2 million to Treasury's international activity..... (transfer authority)

(transfer  
authority)

---

Financial Management Service

Salaries and expenses- This proposal would allow for the transfer of up to \$5.5 million from other Treasury bureaus to pay for increased postage costs..... (transfer authority)

(transfer  
authority)

---

Internal Revenue Service

Processing tax returns- This proposal would transfer \$32.2 million from "Examinations and appeals" to correct

|                                                                                                                                                                                                                                                                       | (in millions of dollars) |                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------|
|                                                                                                                                                                                                                                                                       | <u>Budget</u>            | <u>Outlays</u> |
|                                                                                                                                                                                                                                                                       | <u>Authority</u>         |                |
| a technical error that occurred in<br>conference action on appropriations...                                                                                                                                                                                          | 32.2                     | 31.6           |
| Investigation, Collection, and<br>Taxpayer Service- This proposal<br>would transfer \$41.8 million from<br>"Examinations and appeals" to correct<br>a technical error that occurred in<br>conference action on appropriations...                                      | 41.8                     | 40.9           |
| Department of Veterans Affairs                                                                                                                                                                                                                                        |                          |                |
| General Operating Expenses- This<br>proposal would delete an employment<br>floor that is now part of appropriations<br>language governing the regional offices (appropriations<br>that deliver VA benefits..... language)                                             |                          | ---            |
| Environmental Protection Agency-                                                                                                                                                                                                                                      |                          |                |
| Administrative Provisions- This<br>proposal would give EPA officials more<br>management flexibility by allowing,<br>with certain exceptions, internal<br>transfers up to a limit of two<br>percent of the transferring<br>account..... (administrative<br>provisions) |                          | ---            |
| Office of Personnel Management                                                                                                                                                                                                                                        |                          |                |
| Salaries and expenses- This proposal<br>would make available until expended<br>funds that are to be used to implement<br>a recordkeeping system for the<br>Federal Employees Retirement System..... (appropriations<br>language)                                      |                          | ---            |
| Commission on Civil Rights                                                                                                                                                                                                                                            |                          |                |
| Salaries and expenses- This proposal<br>would eliminate earmarking of funds<br>in the Commission's 1989 appropri-<br>ations language..... (appropriations<br>language)                                                                                                |                          | ---            |
| Court of Veterans Appeals                                                                                                                                                                                                                                             |                          |                |
| Salaries and expenses- This would<br>provide for start-up costs associated<br>with this new court. The President is<br>required to appoint the Court's judges<br>during fiscal 1989.....                                                                              | 1.2                      | 1.2            |
| Federal Communications Commission                                                                                                                                                                                                                                     |                          |                |
| Salaries and expenses- This proposal                                                                                                                                                                                                                                  |                          |                |

(in millions of dollars)

|  | <u>Budget<br/>Authority</u> | <u>Outlays</u> |
|--|-----------------------------|----------------|
|--|-----------------------------|----------------|

would avoid a furlough of Commission  
staff in 1989 by transferring funds  
from the Commerce Department's  
Economic Development Administration.....

1.4

1.3

Total, Reagan Administration  
Discretionary Supplementals.....

379.3

225.2

Total, Reagan Administration  
Supplementals

1,784.2

2,282.7

Note: Detail does not add to totals due to rounding.

Additional Supplementals To Be Submitted  
by the Bush Administration

|                                                                                                                                                                                                                                                                                                | (in millions of dollars)<br>Budget<br><u>Authority</u> | <u>Outlays</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------|
| <b>Mandatory Supplementals: (to be transmitted later)</b>                                                                                                                                                                                                                                      |                                                        |                |
| FSLIC- This supplemental would finance the interest costs associated with issuing bonds to be used to shore-up the savings and loan industry....                                                                                                                                               | 454.0                                                  | 454.0          |
| <br><b>Discretionary Supplementals:</b>                                                                                                                                                                                                                                                        |                                                        |                |
| <b>Funds Appropriated to the President (to be transmitted later)</b>                                                                                                                                                                                                                           |                                                        |                |
| Aid to the Contras - A proposal is being developed to transfer \$27 million for aid to the Contras.....                                                                                                                                                                                        | ---                                                    | ---            |
| <br><b>Department of Energy</b>                                                                                                                                                                                                                                                                |                                                        |                |
| <b>Energy Programs</b>                                                                                                                                                                                                                                                                         |                                                        |                |
| Uranium Supply and Enrichment Activities- This is a new item. It would fund unanticipated electrical power requirements of the Gaseous Diffusion Operation and Support program; to be offset by an increase in receipts.....                                                                   | 55.0                                                   | ---            |
| <br><b>Department of Justice:</b>                                                                                                                                                                                                                                                              |                                                        |                |
| Salaries and expenses, U.S. Attorneys and Federal Bureau of Investigation- These proposals would provide funds to investigate, audit, and prosecute cases involving financial institutions fraud.....                                                                                          | 36.8                                                   | 30.5           |
| <br><b>Department of State</b>                                                                                                                                                                                                                                                                 |                                                        |                |
| Mitigation and Refugee Assistance- This proposal would provide \$85 million to support a 28,500 increase in the ceiling on refugee admissions (all but 2,000 of these are from the Soviet Union) and \$15 million for high-priority relief and assistance African and East Asian refugees..... | 100.0                                                  | 70.0           |

(in millions of dollars)

Budget  
Authority

Outlays

Department of Veterans Affairs

Medical Care- This proposal would provide funds to cover the increase in the number of veterans treated in VA outpatient clinic and community nursing homes and cover the cost of equipment and supplies. The proposed language would allow the VA hospital system to shift funding between personnel compensation and other uses, something that is now prohibited to the agencies that receive their appropriations from the HUD-Independent Agencies

|                         |       |       |
|-------------------------|-------|-------|
| Appropriation Bill..... | 303.0 | 298.0 |
|-------------------------|-------|-------|

United States Information Agency

Radio Broadcasting to Cuba- Funds are requested to provide for a television broadcasting service to Cuba.

|             |            |
|-------------|------------|
| <u>16.0</u> | <u>---</u> |
|-------------|------------|

Additional Discretionary  
Supplementals To Be  
Submitted by the  
Bush Administration...

|       |       |
|-------|-------|
| 510.5 | 398.5 |
|-------|-------|

Total Additional  
Supplementals To Be  
Submitted by the  
Bush Administration..

|       |       |
|-------|-------|
| 964.8 | 852.5 |
|-------|-------|

## Offsets

## Reagan Administration Rescissions:

## Justice

|                                                                                                                                                                                |      |      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|
| Justice Assistance- Proposed rescission of funds that would have otherwise been used to reimburse the States for costs associated with the incarceration of Mariel Cubans..... | -5.0 | -5.0 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|

## Labor

|                                                                                                                                                 |      |      |
|-------------------------------------------------------------------------------------------------------------------------------------------------|------|------|
| Employment Standards Administration<br>Black Lung Disability Trust Fund-*<br>Rescission of unneeded funds which offsets above supplemental..... | -1.4 | -1.4 |
|-------------------------------------------------------------------------------------------------------------------------------------------------|------|------|

## Reagan Administration Transfers:

## Commerce

|                                                                                                                                                                                                      |      |      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|
| General Administration<br>Economic development assistance programs-<br>Funds are proposed for transfer from this activity to the Federal Communications Commission in order to avoid a furlough..... | -1.4 | -0.1 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|

## Transportation

|                                                                                                                                                                                                         |      |      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|
| Federal Highway Administration<br>Access Highways to Public Recreation Areas on Certain Lakes- This is a proposal to transfer funds to higher priority uses in the Federal Aviation Administration..... | -1.3 | -0.3 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|

|                                                                                                                                                                           |       |      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|------|
| Miscellaneous Appropriations- This is a proposal to transfer funds from a large set of small projects to higher priority uses in the Federal Aviation Administration..... | -39.4 | -7.9 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|------|

|                                                                                                                                                                    |     |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------|
| Urban Mass Transportation Administration<br>Formula Grants- These grants would be reduced to offset supplemental requests for the Federal Aviation Administration. | --- | -22.7 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------|

## Treasury

|                                                                                                   |       |       |
|---------------------------------------------------------------------------------------------------|-------|-------|
| Examinations and Appeals- This transfer to the above two accounts corrects a technical error..... | -74.0 | -72.5 |
|---------------------------------------------------------------------------------------------------|-------|-------|

|                           |        |       |
|---------------------------|--------|-------|
| Total, offsets identified | -122.5 | 109.9 |
|---------------------------|--------|-------|

|                                       |        |        |
|---------------------------------------|--------|--------|
| Amount Needed to Offset Supplementals | -767.6 | -513.8 |
|---------------------------------------|--------|--------|

3/13/89

# Pool Report for Bush Remarks after Bennett Swearing-In

White House press office has released transcript. Otherwise, there was nothing either diverting, amusing or substantive that occurred. President's remarks lasted slightly less than 10 minutes. In the audience, among the many luminaries, were Sens. Strom Thurmond, Orrin Hatch; CIA Director William Webster; Supreme Court Justice Antonin Scalia. The Cabinet was assembled behind the president; Dick Cheney was in attendance.

## Pool Report for Bush travels to Capitol Hill lunch

The president dined with Marlin Fitzwater, Rep. Sonny Montgomery and Rep. John Paul Hammerschmidt, in the House members dining room. The pool was kept at bay for the ~~XXXXXXX~~ duration of the 1-hour lunch. The motorcade observed most of the rules of traffic, to the apparent delight of a flock of schoolkid/tourists who ran alongside Bush's limo for a block or so along Pennsylvania Ave. on the return. Bush did pause and cast a long look toward the pool when he returned, but his gaze was directed presumably at Millie, who was slouched in all of her ~~XXXXXXXX~~ swollen splendor near the driveway. The only other drama occurred when a poor woman's sprint to fill up an expired parking meter was interrupted by the Secret Service. She was not ~~XXXXX~~ pleased.

Tom Baden  
Newhouse

3/13/89

-Pool Report for Bush's meeting with National  
Association of Attorneys General (3-13, 10 a.m. in Roosevelt Room)

The president limited his remarks to two issues: the environment and the drug crisis. He apologized for being slightly late (10:02), saying he wanted to watch the shuttle launch. "That's always a ~~XXXX~~ rather tense moment," he said. On many environmental issues, "the time for study is past," Bush said, identifying acid rain and Clean Air legislation as two areas in which his administration will be offering proposals with Congress. The president acknowledged that in many instances ~~XX~~ states have assumed the lead in environmental enforcement. "I believe that is good news," he said. Bush said he wanted to "throw the book" at illegal ocean dumpers; step up Superfund enforcement; and move beyond civil to criminal sanctions for some environmental violators. However, he also stressed that there are "limited resources" for these undertakings.

On drugs, the president declared that the cycle of drug use and violence had bred "the most insidious form of domestic violence." He said, "Our schools must not be locked in a state of siege." His budget proposals, Bush contended, represented a commitment of "unprecedented" resources to law enforcement. He applauded the AG's group's previous call for a reduction of drug demand and said he would welcome their recommendations on sentencing. The president, all told, spoke for about 10 minutes using index cards.

Behind the president was Boyden Gray, who spoke to the group briefly before Bush arrived: New York State A.G. Robert Abrams; EPA chief William Reilly, who talked after Bush departed; and Debra Anderson, the former Speaker of the South Dakota House ~~XXX~~ now the intergovernmental ~~XXX~~ affairs director for the White House.

Abrams presented Bush with a two-inch thick volume, "Office of Attorney General Powers and Duties," which the president accepted with all the enthusiasms ~~XX~~ such a gift warranted.

The White House press office has a list of the AGs who attended the meeting.

Tom Baden  
Newhouse

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                                                   | Date     | Restriction | Class. |
|--------------------------|-------------------------------------------------------------------------------------------------------------|----------|-------------|--------|
| 03. Memo                 | From Doug Wead for Recommended Telephone Call to Dr. Ed Feulner [redaction of personal information] (1 pp.) | 03/13/89 | (b)(6)      |        |

**Collection:**

**Record Group:** Bush Presidential Records

**Office:** Office of the President

**Series:** Daily Files

**Subseries:**

**WHORM Cat.:**

**File Location:** Monday, March 13, 1989

|                                     |                                |
|-------------------------------------|--------------------------------|
| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

*EF*  
Bush Library Photocopy

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

3/13/89

0159505

FG001-08

RECOMMENDED TELEPHONE CALL

TO: Dr. Ed Feulner  
President, The Heritage Foundation

DATE: As soon as possible

RECOMMENDED BY: Doug Wead *[Signature]*

THROUGH: David Demarest *[Signature]*

PURPOSE: To determine the sense of conservative leaders in light of recent incidents regarding the use of automatic guns like the AK-47.

BACKGROUND: Police organizations, the NRA and gun control organizations are re-evaluating their positions on the ownership of guns to stay ahead of the public opinion curve.

Dr. Feulner has been one of the most reasonable movement conservative leaders. He and his Heritage Foundation will more likely support your evolving position on gun control if they are consulted.

TOPICS FOR DISCUSSION:

1. Your long relationship with the NRA.
2. Your commitment to the constitutional right of Americans to bear arms.
3. How does one balance that commitment with the responsibility of the government to protect its citizens from murderers and drug kingpins who use these weapons?
4. Would appreciate some input and Feulner's ideas.

DATE OF SUBMISSION: March 10, 1989

ACTION:

PHONE NUMBER: 546-4400 (The Heritage Foundation)

(b)(6)

*Ed "Talley" to Meese just other day - ironic  
our best supporters are divided on this"  
Ed will get group together - try to get back  
in the in 48 hours or so*

THE WHITE HOUSE  
WASHINGTON

191017

LE001

DATE: March 13, 1989

FROM THE PRESIDENT

TO: Andy Card  
David Bates

RE: Jim Brady  
"Disabled Announcement Today"

Have we kept our side of the bargain re: obligation  
to Jim Brady?

He makes an announcement today!



The President with Sununu and aides in the Oval Office: after a bruising fight with Congress, widespread talk of malaise

DIANA WALKER

## Nation

TIME/MARCH 20, 1989

# Rude Awakening

*For all his experience and energy, the President is stumbling as his free-lance style leads to government by "ad-hocracy"*

BY DAN GOODGAME

**S**eldom has a President felt obliged after only seven weeks in office to deny publicly that his Administration suffers from "drift" and "malaise." But that is precisely what George Bush did at a press conference last week, reciting a list of accomplishments ranging from the savings and loans bailout to proposals for curbing air pollution. "I think we're on track," the President insisted, adding somewhat wistfully, "A lot is happening. Not all of it is good, but a lot is happening."

The biggest happening, and the worst for Bush, was the Senate's rejection of former Senator John Tower for Secretary of Defense by a vote of 53 to 47. It marked

the first time in 30 years that the full Senate had spurned a President's Cabinet choice, and was a clear indication of which way the power is flowing along Pennsylvania Avenue. Bush moved swiftly to stanch the bleeding by replacing Tower with Congressman Richard Cheney, a Wyoming Republican who served as White House chief of staff under Gerald Ford. Cheney is expected to win quick FBI clearance and Senate confirmation—much to the relief of Bush, who declared, "Too much time has been wasted here."

All week the President was at pains to counter critics who complain that too much time has already been wasted in this new Administration. Despite Bush's extensive experience in government and his campaign boast that he was "ready on

day one to be a great President," hundreds of key appointive posts remain unfilled and crucial foreign policy decisions are on hold pending completion of some 30 "reviews."

In economic and domestic policy, the White House has been energetic but surprisingly maladroit, hopping among major and minor issues with little continuity or follow-through. The White House has also been inattentive about managing the news and delivering its message to the public, especially when compared with skills of the Reagan Administration or even with the "theme-of-the-day" Bush campaign. "The President has given nobody the overall authority to coordinate people's efforts and make sure things work around here," explains one senior



The day of his rejection by his former Senate colleagues, John Tower drew support from daughters Penny, Marian and Jeanne

MARTY KATZ

Administration official. "And there's only so much that even a President as active as this one can keep track of. The rest is falling through the cracks."

The bright side of the Tower fiasco may be that it woke up the White House. "It has got Bush's attention focused," says an Administration official. An outside adviser says, "They've got a major bailout operation under way right now." On Tuesday night chief of staff John Sununu, ever confident and combative, sought advice from an informal group of outsiders that he occasionally convenes: a dozen former Bush campaign officials and political consultants who gathered for dinner in the Roosevelt Room and discussed how to recover from the debacle.

One solace was that for all the Administration's early failings and flailings, the President's popularity outside Washington has remained strong: his approval rating has ranged between 59% and 71% in recent polls. For the time being, the President can coast on a strong swell of national contentment and hope that interest rates don't climb too high. He also continues to benefit from his obvious enjoyment of the presidency, his self-deprecating humor, his grasp of the issues raised at press conferences.

Those who have worked closely with Bush say his best traits—his energy, enthusiasm and gregariousness—can be his worst enemies, sometimes leading him to strike out in all directions at once. Bush is most effective, associates say, when he has

a strong and respected deputy to help him choose priorities and stick with them. He allowed campaign manager James Baker to play that role last fall, but in the White House he has so far denied such authority to Sununu. Bush entered the Oval Office determined to shed his image as an accident-prone candidate who needed extensive handling during the presidential race. He is equally determined not to look as sleepy or staff-managed as Ronald Reagan. As a result, Bush brought along no members of his superb campaign staff to the White House, "and that was very conscious on his part," says a former campaign official.

**U**nlike Reagan's chiefs, Sununu does not control the President's schedule, screen his phone calls or parcel out all staff assignments. Instead, Bush deals directly and informally with a wide range of aides, Cabinet secretaries and outside visitors. A senior Administration official observes that Bush operates as "his own chief of staff" in many ways, as well as "his own best intelligence agent."

During his eight years as Vice President, whenever Bush wanted to know what was really going on in Congress or California or Cairo, the former CIA director turned not only to his staff but also to an extensive network of friends, former aides and political allies, who would sometimes report back through special phone and mail channels that skirted his

official staff. A former senior Bush staffer says he was "flabbergasted" to learn that the boss "had his own cutouts, just like a spymaster."

As President, Bush still loves to free-lance. He jots dozens of private notes, reluctant to rely on dictation. He makes and takes scores of phone calls each day, talking to an army of people in and out of government, from Congressmen to civil rights leaders to cronies from the Texas oil fields. He loves marginalia: recently he extensively edited a staff memo on Soviet-American relations.

One of Bush's senior aides and long-time tennis partners, former Harvard government professor Roger Porter, has written a book called *Presidential Decision Making* that could describe Bush in action. Porter dubs the style "ad-hocracy," a management pattern that "relies heavily on the President to distribute assignments and select whom he listens to and when."

Among the advantages of ad-hocracy, says Porter, is that "it communicates the image of a President personally in command." Among the disadvantages: it "frequently results in jurisdictional battles," and since "ad-hocracy does not differentiate between major and minor issues," the President's agenda can easily get muddled. In an interview, Porter emphasized that "most new Presidents engage in ad hoc decision making." He sees Bush's curiosity and openness as strengths. Another Administration official adds that the easy ac-

cess the President grants is "one of the reasons people love to work for him."

Still, ad hoc decisions can lead to post-haste confusion, as quickly became apparent on Capitol Hill. When the Tower nomination appeared to be doomed, White House counsel Boyden Gray, a longtime Bush favorite who often acts independently of others on the staff, pressed for postponement of a vote in the Senate Armed Services Committee. But at the same time, White House lobbyists were pressing for an early vote.

The Administration's issue agenda too is pulled in many directions at once. The peripatetic President delivers several speeches a week, and sometimes several a day, on subjects as diverse as drugs, volunteerism, government service, ethics, education, child care and the minimum wage. On the morning after his Feb. 9 budget address, he flew to Canada. Then he exhausted his staff (though not himself) on a whirlwind five-day tour to Japan, China and South Korea, including formal meetings with two dozen foreign leaders that required extensive preparation and diverted the Administration from the efforts to confirm Tower and to fill other vacant posts.

This scattershot approach makes it difficult to achieve the cynically effective manipulation of TV coverage that was a hallmark of the Reagan Administration. Sununu and White House imagemeister Steve Studdert express disdain for the obsessive attention to television and press coverage under Reagan. But a former top Reagan official points out that "control of the evening news and the headlines is one of the few tools available" for a President who was elected without any specific mandate, whose political opposition controls both houses of Congress, and who has little federal money with which to buy votes.

Richard Neustadt, Harvard's eminent scholar on the presidency, raises a more disturbing point about this—or any—new Administration's public relations efforts. Neustadt, who believes the early criticism of Bush is unfair, wonders "whether the control of the electronic media that Ronald Reagan perfected now requires that the President become more passive and turn much of his schedule over to his media planners."

When the Tower nomination foundered, an inordinate share of the blame began falling on Sununu for his lack of Wash-

ington experience and his abrasive personality. Many of the Tower snafus, however, were beyond Sununu's control, as are most of the tensions in the structure of the Bush White House. Several Administration officials expect that this spring training crisis could even strengthen Sununu's hand as Bush realizes he needs someone to run stronger interference for him. Already Sununu has adopted the system used by Bush's vice-presidential chief of staff, in which subordinates are under strict orders to report any assignment or information they receive from Bush. But now that he is President, Bush's staff and contacts are so large, and some of them so independent of Sununu, that the system often fails.

Bush and his aides seem to be realizing that the presidency is too wide a stage to control by ad-hocracy. The trick will be to impose coherence without stifling the President's spontaneity. If the White House can do so, it should be able to recover quickly from the Tower disaster. Otherwise, barely halfway to his 100-day mark, America's 41st President may become hostage to outside events and forces.

—With reporting by Michael Duffy/Washington

## On the Second Shot, a Straight Arrow

**D**ick Cheney is perhaps the only good thing to come out of the John Tower mess. The six-term Wyoming Congressman and new Defense Secretary-designate is many of the things Tower was not: a gentlemanly lawmaker whose low-key style belies his tenacity; a conservative who wins plaudits from colleagues in both parties; a straight arrow whose spotless personal history includes a 25-year marriage to his high school sweetheart Lynne Cheney, 47, head of the National Endowment for the Humanities.

Cheney, 48, even passes the all-important Sam Nunn character test. The Georgia Democrat hailed him as "a man of honor and integrity."

Just as important, he is an old friend of George Bush's—a key asset in this presidency—and has ties to two other Administration power centers. While serving as Gerald Ford's White House chief of staff in 1975 and '76, Cheney worked alongside Brent Scowcroft, then as now the National Security Adviser, as well as Bush's Secretary of State James Baker, who ran Ford's 1976 presidential campaign.

After Ford's defeat, Cheney returned to Wyoming, where in 1978 he won election to the state's sole congressional seat. His path to the Senate has been blocked—Wyoming has two entrenched Republicans in Malcolm Wallop and



Dick Cheney with his old friend—and new boss. His relationships with Bush, Baker and Scowcroft may be his key assets.

Alan Simpson—so Cheney has concentrated on climbing the House leadership ladder. Voted minority whip last December, he was considered a likely successor to minority leader Bob Michel. He defended the Reagan Administration during Congress's 1987 Iran-*contra* investigation and joined several G.O.P. colleagues in a harsh dissent from the panel's final report.

Cheney's principal drawback is his health. He had his first heart attack during his initial congressional

campaign, and two more followed before he underwent bypass surgery last August. Cheney—who said last week that he got his cardiologist's O.K. to take the Pentagon job—generally shrugs off questions about his condition. "Some people are short, fat and ugly," he told the Casper (Wyo.) *Star Tribune* last year. "I happen to have coronary-artery disease."

His other shortcoming is a lack of experience: though he spent five years on the House Select Committee on Intelligence, he has never been a member of the Armed Services panel, has never performed military service or worked at the Pentagon. But in the wake of the Tower tempest, lawmakers on both sides of the aisle anticipate a quiet and speedy Senate review. "This time it will be a confirmation," said Senate minority leader Robert Dole, "not an execution."

## WHITE HOUSE

## Kick-starting the Presidency of George Bush

**H**e has a penchant for dropping into neighborhood restaurants virtually unannounced and shuffling schedules on a whim. But when he strolled into the White House briefing room last week with his arm around Dick Cheney, George Bush pulled one of the more audacious surprises of his infant Presidency. Less than 24 hours before, John Tower, his first choice to become the Pentagon chief, was voted down on the floor of the Senate. The only good thing that could be said of the historic defeat was that it put an end to the administration's biggest embarrassment to date. But the very next day, there was Bush, grinning and joshing as he introduced his old friend to the crowd of reporters. Mr. Spontaneity had done it again.

The choice of Cheney, which almost no one had guessed, capped a week in which the Bush team seemed determined to play catch-up. The President himself was said to have been "uptight" about early complaints of drift in his administration, but now he was intent on proving the critics wrong. At the same time the Tower soap opera was concluding on Capitol Hill, Bush aides were announcing names for 33 key subcabinet jobs and 22 White House staff positions. White House lawyers were also putting the finishing touches on new ethics legislation, which will be sent to the Hill this month, and Treasury Secretary Nicholas Brady was taking the wraps off an ambitious plan for dealing with Third World debt. Even Chief of Staff John Sununu, berated in the press as the most inept driver of the Bush bus, was getting into the act, fine-tuning the clunky White House speech-writing machine, which had been accused of turning out so many vapid and uninspired addresses for the boss. Cheney was the topper, however.

With his many friends in Congress, he is a sure bet for speedy confirmation, even though his stance on defense policy has tended to be extremely conservative. Chief of staff in Gerald Ford's White House, the Wyoming congressman served more recently on the Iran-Contra committee, where he defended Ronald Reagan's foreign policy even as he blasted the Pres-



**Rollout.** Bush unveils his new Pentagon top gun, Dick Cheney

ident's handling of the affair. A member of the House intelligence panel, Cheney knows his way around foreign-policy issues, but whether he is tough enough to whip the unwieldy Defense Department bureaucracy into shape is a \$64 question—a bargain by the normal Pentagon standards of hundred-dollar hammers and thousand-dollar toilet seats. In subbing Dick Cheney for John Tower, George Bush showed he can bounce back after a big loss. The former Yale first baseman was playing solid comeback ball.

## TERRORISM

## An Iranian message to the U.S. Navy?

When Capt. Will Rogers's guided-missile cruiser *Vincennes* shot down an Iranian jetliner last July, killing 290 persons, U.S. authorities ruled the whole thing a mistake—regrettable but understandable in the tense Persian Gulf. No mistake could account for the pipe-bomb explosion last Friday that almost cost the life of Rogers's wife Sharon and demolished the van she was driving on a placid suburban street in San Diego.

FBI and Navy officers found no immediate proof that terrorists had planted the bomb. But no other conclusion so neatly fit a growing web of circumstantial evidence that the attack was the first act of Iranian terrorism against a U.S. citizen on American soil.

Almost immediately after the Iranian Airbus went down, Teheran threatened retaliation that seemed aimed at



**Burnout.** In San Diego, a narrow escape from a pipe bomb



**Fierce peaks.** Tibetans are a gentle people capable of fierceness. Last week, they were at their fiercest. On the eve of the 30th anniversary of the rebellion against Chinese rule, nationalists in the capital, Lhasa, attacked Chinese civilians, above, and set fire to Chinese shops in the worst violence since 1959. Beijing declared martial law, sealed off militant monks and nuns in their monasteries and began rounding up Tibetans. One Chinese official calls "merciless repression" an appropriate reply. Some 87,000 Tibetans died in 1959. Last week, the death toll stood at 30 but threatened to mount.

the U.S. military. Iran's denial of responsibility for blowing a Pan American jetliner out of the skies last December left the retaliation question open. Just before the San Diego blast, the FBI reported 178 bomb threats since Teheran condemned *The Satanic Verses* author, Salman Rushdie, to death and said terrorists linked to the fanatic Iranian Revolutionary Guards Corps have infiltrated the U.S.

The FBI keeps close watch on 200 to 300 of some 30,000 Iranians in America. Intelligence experts say blame for the Rogers car bombing probably can be pinpointed if this "hard core" was involved. But if it was the work of surrogates that Teheran often uses, the case could join a long list of incidents where suspicions are high though proof is lacking.

#### POLITICS

### Now Willie Horton stalks the GOP

Ever since George Bush won the Presidency, he and his political manager, Lee Atwater, have tried to persuade blacks to switch allegiances from the Democratic to the Republican Party. In one quarter, black voters evidently expect more than public-relations pitches.



Howard protesters

Last week, 1,000 students occupied a building at Howard University in Washington, D.C., forcing Atwater, the new GOP national chairman, to resign from the black school's board of trustees. The students hadn't forgotten Willie Horton, Jr., the furloughed black inmate whose face played a prominent and, in the protesters' view, racist role in Bush's campaign last year.

Black critics of Bush's early days as President single out the Justice Department. They point with particular irritation to Atty. Gen. Dick Thornburgh's plans to name William Lucas, a black Michigan politician with no civil-rights experience, to head his civil-rights division. They are waiting skeptically for Bush to fill some 50 federal-court vacancies and address issues slated for legislative or judicial confrontations such as affirmative action, voting rights and school desegregation.

After the Howard embarrassment, Atwater pledged support for "affirmative action in its traditional sense" and opposition to South African apartheid. Yet it was clear that a big selling job remained to be done. "There is a 'show us' attitude among minorities," declared civil-rights advocate Ralph Neas. "The actions have not been matching the rhetoric."

#### PEOPLE MAKING NEWS

### Paisley's ties

Nine months after the Pentagon corruption scandal broke, "Operation Ill Wind" has led to seven indictments, while one of the probe's central figures, Melvyn Paisley, remains free without charge. At least for now. Last week, a former vice president of defense contractor Sperry Corporation, Charles Gardner, pleaded guilty to bribing Paisley, a former assistant secretary of the Navy, by purchasing his Idaho condominium at an inflated price of \$149,000.

#### ■ Another temptation

Pepsi knew it had hired a tabloid queen in January when it signed a multimillion-dollar contract with Madonna, but the company didn't expect to see her dancing among burning crosses, writhing on an altar and kissing statues of saints. The pop star does all that and more on her latest video, "Like a Prayer," wriggling Pepsi into a tight spot. The American Family Association, a major Christian organization that led the fight against "The Last Temptation of Christ," is calling for a boycott of the soft drink. Smelling controversy, Pepsi pulled its Madonna ad from MTV before that network aired the video.



Madonna

#### ■ Raider's return

Wall Street hopes that billionaire Sir James Goldsmith's crystal ball has finally cracked. In the early '80s, he foresaw the corporate bargains in the U.S. and crossed the Atlantic with his pounds to raid Goodyear, St. Regis, Diamond International and Crown Zellerbach. In 1987, he anticipated the Black Monday crash, cashing in on an overrated market. Last week, in what may be a daunting omen, Sir James announced his retreat from the Colonies. Citing the U.S. craze for pricey leveraged buyouts, he plans to ply the more fertile shores of Britain with his partner Jacob Rothschild.

# Bush's Plea: 'A Lot Is Happening'

## Behind the Tower fight, some signs of progress

**T**he fact is that George Bush never meant to hit the ground running. Early in the transition to the new administration, chief of staff John Sununu wanted to see the plan for the first 100 days. Sununu's aides were flabbergasted when public-affairs director David Demarest told them, "We don't have a 100-day plan. It doesn't exist." Nobody had gotten around to it, and it didn't much matter: Bush was elected to be a caretaker president in what amounted to a third term for Ronald Reagan; why should anyone expect dramatic initiatives or sweeping new programs? Yet it was probably inevitable that as he lost his first major battle with Congress, Bush found himself defending his fledgling presidency against charges that it was already dead in the water. Not true, he insisted: "A lot is happening. Not all of it good, but a lot is happening."

Bush had a point. Given his limited mandate, his team was doing more than it gets credit for—in rethinking its diplomatic stance, reaching a truce with Congress on the budget deficit and devising cures for major ailments that Reagan had just ignored. The Catch-22 was one of image. For the media, tuned for months to the Iran-contra scandal, campaign vitriol and juicy misbehavior in high places, a quiet round of progress was simply boring. But fair or not, the perception of stagnation could become a real problem. Jimmy Carter's ill-fated presidency was dogged from the start by just such an image of impotence, and Bush's people were keenly aware of the parallel. Bush needs some quick victories, a senior White House official conceded last week: "We have to endure these hits and then get back on track. But we're having difficulty finding out precisely where back on the track is."

In defending their boss, other White House aides got a trifle euphoric. As press secretary Marlin Fitzwater portrayed it, even the 53-47 Senate defeat of John Tower's nomination as defense secretary was a victory of sorts: it showed Bush could hang tough to the end, and it gave the new team a trial by fire. "It's brought everybody together," Fitzwater said. "We all feel the



WALLY McNAMEE—NEWSWEEK

Getting up to speed: Second-choice Cheney seemed sure to please the Senate



DENNIS COOK—AP

Back to Texas: For Tower, the long ordeal was ended

better off for it." But hyperbole aside, there were indeed consolations in the loss. Tower's surprise replacement, the veteran Wyoming Congressman Dick Cheney, seemed likely to be confirmed in a breeze. Democratic leaders were being pointedly conciliatory to the White House. The long battle hadn't cost Bush any real political capital; in a new NEWSWEEK Poll his approval rating was 62 percent (page 27). And when it came to the substance of

government, there was room for partisan debate over the Bush proposals—but there was also a fair amount to show off:

■ **The economy.** Bush's proposed bailout for bankrupt savings and loan associations probably needed a speedup and a lot more money, but it was a sound approach to a long-neglected problem. Similarly, the Bush team unveiled a new strategy in the Third World debt crisis (page 32), and began grappling with the cleanup of the nation's nuclear waste and nuclear-weapons plants. The Treasury was working on a capital-gains tax-cut bill, and Bush held the clear whip hand in talks with Congress over the budget.

What's evolving is a budget consensus that simply accepts the broad outline of automatic cuts triggered by the Gramm-Rudman-Hollings law. As a Democratic House aide put it, "That gores everybody's ox, and nobody takes responsibility." From Bush's standpoint, it lets him keep his no-new-taxes pledge; for the Democrats, it

sets the stage for a compromise that would include a tax increase next year. The prospect is far from perfect, but it does end the stalemate. "We'll be using overly optimistic economic assumptions and just pray that the markets will swallow it," said Tennessee Sen. James Sasser, Budget Committee chairman. "What else can we do? Push taxes and take a veto and a political beating from the president?"

■ **The kinder, gentler nation.** The president

has invited Congress to raise the minimum wage and pass a child-care tax credit, and has made new proposals on drug enforcement and the environment. At a press conference last week, Bush suggested that he would be willing to restrict public access to semiautomatic military assault rifles if his drug czar, William Bennett, could come up with "sensible" rules that would "do what's right by the legitimate sportsman."

■ **Staffing the government.** At the weekend, Bush had sent to the Hill only 47 nominees for the 609 senior positions that require Senate confirmation. That's not disastrous; at a comparable point, Ronald Reagan had sent 59. Bush has chosen 42 more, but those names haven't been formally submitted pending the mandatory FBI checks. The vetting has become ever more lengthy and elaborate—and the furor over Tower's sexual and tippling habits won't speed the process. Sununu has come under fire for clumsy maneuvering in the Washington mine fields, but Bush stoutly defended him. "Every chief of staff goes through this drill where he gets saluted for his brilliance, and a month later he gets attacked for his something else," the president said. "I have total confidence in John Sununu."

■ **The diplomatic front.** Bush is under heavy pressure from his allies to match the dramatic public-relations gains Mikhail Gorbachev has made with his initiatives, and morale in the State Department is said to be low. But Secretary of State James Baker and national-security adviser Brent Scowcroft say they won't set new policies before they have finished a complete review of global issues. "Should we thor-



BOB McNEELY—SIPA

**Battle on the high road: Mitchell (left) in a huddle with Minority Leader Bob Dole**

oughly rethink U.S. foreign policy," asks a Baker adviser, "or fly by the seat of our pants and come up with half-baked policies that months later explode in our faces?" That stance seems only prudent—and the good news is that the policy reviews are on schedule and should be done next month. When Baker goes to Moscow early in May, he will be ready to discuss dates for resuming strategic arms talks.

There was real potential trouble in the Defense Department. Getting Cheney confirmed seemed no big problem: the No. 2 Republican in the House, Cheney was Ger-

ald Ford's White House chief of staff before going to Congress in 1979, and he is widely respected as a pragmatic, moderate leader. But Cheney lacks Tower's defense expertise and will take some time getting up to speed in the Pentagon. That can only add to the problems posed by the long fight over Tower. Damage so far has been minimal, but this week begins the serious budget cutting needed to meet Bush's spending targets, and without coherent direction from a defense secretary, the odds are that cuts will be made by military men concerned more with their pet projects than

## The Honeymoon's Still On: A Newsweek Poll

**E**ven in the wake of the Tower defeat the American public still appears to be on a honeymoon with George Bush. In a NEWSWEEK Poll conducted last week, the president received

high marks for his handling of foreign affairs. His overall approval rating is 62 percent—higher than a month ago, and higher than Ronald Reagan's rating in March 1981.

**Do you approve or disapprove of the way George Bush is handling his job?**

|               | APPROVE | DISAPPROVE | DON'T KNOW |
|---------------|---------|------------|------------|
| Current       | 62%     | 16%        | 22%        |
| Jan.-Feb. 89* | 55%     | 12%        | 33%        |

**Would you say President Bush is doing better than you expected at this point or not as well as you expected?**

32% Better 26% Not as well 30% About as expected

**Is President Bush doing a good job or not at:**

|                               | GOOD JOB | NOT GOOD |
|-------------------------------|----------|----------|
| Filling top federal positions | 45%      | 39%      |
| Dealing with the deficit      | 30%      | 36%      |
| Improving economic conditions | 34%      | 32%      |
| Managing foreign relations    | 68%      | 13%      |

**Since President Bush took office, do you think he has been a more effective or less effective leader on the world scene than Mikhail Gorbachev of the Soviet Union?**

36% More effective 28% Less effective

**On the nomination of John Tower to be secretary of defense, President Bush:**

6% Should have fought harder for Tower  
46% Should have withdrawn the nomination and chosen someone else  
43% Handled it just about right

**Is the increased attention being given to the private lives of public officials and candidates a good thing or a bad thing for politics and government in this country?**

49% A good thing 39% A bad thing

\*Gallup for Times Mirror Co. For this NEWSWEEK Poll, The Gallup Organization interviewed a national sample of 756 adults by telephone March 9-10. The margin of error is plus or minus 4 percentage points. Some "Don't know" and other responses omitted. The NEWSWEEK Poll © 1989 by NEWSWEEK, Inc.

overall strategy. If that happens, the real cost of the Tower fight will be felt two or three years down the road—and Georgia's Sam Nunn, chairman of the Senate Armed Services Committee, may wind up with more clout in the Pentagon than Cheney.

Meanwhile, can Bush heal the wounds the long partisan battle left on Capitol Hill? At first reckoning, they seemed deep and lasting. The outstretched hand that Bush had promised, quipped New Hampshire Sen. Gordon Humphrey, should have been an extended middle finger. Vice Presi-

dent Dan Quayle didn't help when he told an Indiana audience of the "outrage" among Republicans at Senate Democrats for unleashing "a new wave of McCarthyism in this country." The next victim of the hostilities could be House Speaker Jim Wright, whose eight-month investigation on charges of ethical violations may come up for House scrutiny this week. Republicans will surely insist that his case be taken as seriously as Tower's (box).

As the White House saw it, the hostility wasn't all that deep; Bush had taken pains

to avoid personal attacks on such leading Democrats as Nunn and Majority Leader George Mitchell of Maine. "We have fought a very hard battle, and we've done it on the high road," said Fitzwater. But that cheery view ignored a central fact: the Democrats have tested their power against the new president and discovered they can win. If they smell blood, that high road could be uphill all the way.

LARRY MARTZ with JOHN BARRY, ELEANOR CLIFT, THOMAS M. DEFRANK, ANN MCDANIEL, RICH THOMAS and MARGARET GARRARD WARNER in Washington

## Ready for Wright: A GOP Grudge Match

One of the very few Democrats with something kind to say about John Tower in recent weeks was House Speaker Jim Wright. Never, said Wright, "have I personally... observed his behavior being anything but such as would reflect credit upon him." That wasn't sympathy speaking, but empathy. After an eight-month investigation into the speaker's financial dealings, the House Committee on Standards of Official Conduct, known as the ethics committee, is preparing to vote on whether or not Wright violated congressional rules. The Democratic leader was hoping to escape the sort of down-and-dirty brawl that led to Tower's defeat. Not likely: furious Republicans are ready to exact revenge. "The big loser of the Tower debacle is Jim Wright," says one Democratic aide. "He's got to be cringing. He's next."

The partisan wars continue this week as the 12-member committee—six Democrats, six Republicans—wraps up its evaluation of special counsel Richard Phelan's report on Wright's alleged wrongdoings. Among other charges, the document addresses whether Wright, who received unusually high royalties on a book called "Reflections of a Public Man," deliberately attempted to circumvent the House ceiling on honorariums by urging supporters to buy the volume. Phelan reportedly comes down hard on whether Wright

improperly used an aide to work on the book. He also examines charges that Wright violated House rules on acceptance of gifts.

The report is a political bonanza for Republicans who hope Wright's misfortunes will translate into GOP gains at the ballot box. "The quicker we're rid of this bipartisan business the better," said one top Republican operative. "We have to run *against* the Congress." National Republi-

can congressional committee executive director Ed Rollins, who named Wright his "No. 1 target" in next year's elections, said he wouldn't "steal, murder, lie, cheat or pilage, but other than that I think just about anything goes." GOP strategists plan to highlight Wright's questionable relationship with certain Texas savings and loans in TV spots.

For the moment, the Republicans are planning to use

the Wright affair to reclaim the moral high ground. Their tactic: stressing that the speaker sits "two chairs away from the president" in the line of succession. Just as the Democrats placed the judicious Sen. Sam Nunn in the front lines of the Tower battle, the GOP leadership hopes to have a respected Republican lead the charge against Wright. (They were relying on House Minority Whip Dick Cheney until his nomination as Secretary of Defense.)

**Playing hardball:** But both parties are prepared for a dirty fight. If Wright loses in committee, the House could vote to reprimand, censure or oust the speaker. Most likely, the panel will dismiss the charges sometime in the next week with a 6-6 party-line vote. In that case, some Republicans may cry cover-up and try to force a debate on the floor. Wright's nemesis, Rep. Newt Gingrich, will probably demand the public release of the report or a censure of Wright. Though Congress is unlikely to permit the latter, Democrats want to avoid protracted debates. "The president has heard nonstop from senior Democrats that if he wants to get his programs through, he better call off his thugs," says Michael McCurry, spokesman for the Democratic National Committee. With both Democrats and Republicans ready to play that kind of political hardball, the Tower hearings could end up looking like a Little League game.



BOB MCNEELY—SIPA

**'The big loser of the Tower debacle': The speaker of the House**

ELOISE SALHOLZ with ELEANOR CLIFT and HOWARD FINEMAN in Washington

019572

PP010-03

THE WHITE HOUSE  
WASHINGTON

March 13, 1989

Dear Malcolm:

A thousand apologies. For some reason your marvelous letter written on December 15th never caught up with me until just now. Postal reform! I don't quite understand what happened.

Thank you for those very kind sentiments. I am looking forward to working to strengthen the already strong relations between Australia and the United States. We have a good team in place, and once our reviews on foreign policy and defense are finished, I am confident that we can get out in front with some good proposals that will capitalize on the change that is taking place all around the world.

My sincerest best wishes to you, and thanks for that thoughtful letter. Barbara joins me in sending our warmest best wishes.

Sincerely,



The Right Honourable Malcolm Fraser  
Suite 1303  
Anz Tower  
55 Collins Street  
Melbourne, Victoria 3000  
Australia

890314

bcc: Governor John  
Sununu

General Brent Scowcroft

Secretary James A. Baker

X1303

THE RIGHT HONOURABLE MALCOLM FRASER, A.C., C.H.

NAHEEN,  
VICTORIA 3315 }

Don: ~~that~~ address

2 JAN 1991

15 December

44 TH FLOOR  
ANZ TOWER  
65 COLLINS STREET  
MELBOURNE, VICTORIA 3000  
TELEPHONE 654 1822  
FACSIMILE 654 1301  
TELEX AA34884 JMFHAS

← correction

117 Dear President,

Tamie joins me in  
sending you and Barbara  
heartfelt congratulations. We  
were absolutely delighted with  
your victory. I feel much more  
comfortable now about leadership  
of the U.S. and of the west, than  
I have for many many years.  
We have not only  
the most qualified man in

THE RIGHT HONOURABLE MALCOLM FRASER, AC, CH.

NAREN,  
VICTORIA 3315

44 TH FLOOR  
ANZ TOWER  
55 COLLINS STREET  
MELBOURNE, VICTORIA 3000  
TELEPHONE 654 1822  
FACSIMILE 654 1301  
TELEX AA34884 JMFRA5

The White House but perhaps  
more important than that, the  
best man with the right feelings  
and instinct for what must  
be done.

Over the coming years  
Cabinet members and advisers  
will give much advice. It  
that sometimes seems contrary to  
your own instinct and judgement  
please question it closely and  
be true to what you believe

THE RIGHT HONOURABLE MALCOLM FRASER, A.C., C.H.

NAHEEN,  
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44 TH FLOOR  
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TELEPHONE 654 1822  
FACSIMILE 654 1301  
TELEX AA34884 JMFRRS

to be correct. I forgive me  
that plea.

I had wanted the  
assurance to give before  
writing. I am sure you  
will be a great President  
of a great country

All good fortune

Yours

Mahatma Gandhi

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                                                                           | Date     | Restriction | Class. |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------|----------|-------------|--------|
| 04. Letter               | From George Bush to Sol M. Linowitz Re: article "Latin America: The President's Agenda" [redaction of personal information] (1 pp.) | 03/13/89 | (b)(6)      |        |

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Office of the President  
**Series:** Daily Files  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Monday, March 13, 1989

|                                     |                                |
|-------------------------------------|--------------------------------|
| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
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P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

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(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

001939  
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Bush Library Photocopy

THE WHITE HOUSE

WASHINGTON

March 13, 1989

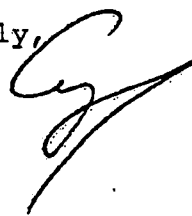
Dear Sol:

Thank you for sending to me your very thoughtful article in Foreign Affairs, entitled "Latin America: The President's Agenda."

I agree that the challenges we face in this hemisphere are formidable and I am committed to making our very best effort to resolve the problems you identify. Our task will not be easy, however, and I hope you will continue to share with me and with Secretary Baker your thoughts on how best to tackle them.

Best personal regards.

Sincerely,



The Honorable  
Sol M. Linowitz

(b)(6)

P.S. Pardon my delay in replying.  
Your letter got choked out by a stack  
a mile high - so sorry.

Good seeing you at State -  
GHB

✓ Rec: B. SCOWCROFT  
J. B. Bernstein

890314

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                                           | Date     | Restriction | Class. |
|--------------------------|-----------------------------------------------------------------------------------------------------|----------|-------------|--------|
| 05a. Letter              | From George Bush to His Royal Highness Sadruddin Aga Khan Re: his Letter and various issues (1 pp.) | 03/13/89 | (b)(1)      |        |

**Collection:**

**Record Group:** Bush Presidential Records

**Office:** Office of the President

**Series:** Daily Files

**Subseries:**

**WHORM Cat.:**

**File Location:** Monday, March 13, 1989

|                                     |                                |
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| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

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**Presidential Records Act - [44 U.S.C. 2204(a)]**

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(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                               | Date | Restriction | Class. |
|--------------------------|-----------------------------------------------------------------------------------------|------|-------------|--------|
| 05b. Memo                | From President Bush to Patty Re: Letter to His Royal Highness Sadrudin Aga Khan (2 pp.) | n.d. | (b)(1)      |        |

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Office of the President  
**Series:** Daily Files  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Monday, March 13, 1989

|                                     |                                |
|-------------------------------------|--------------------------------|
| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

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 (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
 (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
 (b)(9) Release would disclose geological or geophysical information

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                                                      | Date     | Restriction | Class. |
|--------------------------|----------------------------------------------------------------------------------------------------------------|----------|-------------|--------|
| 05c. Letter              | From His Royal Highness Sadruddin Aga Khan (Sadri) to President Bush Re: inauguration and other issues (1 pp.) | 02/24/89 | (b)(1)      |        |

**Collection:**

**Record Group:** Bush Presidential Records

**Office:** Office of the President

**Series:** Daily Files

**Subseries:**

**WHORM Cat.:**

**File Location:** Monday, March 13, 1989

|                                     |                                |
|-------------------------------------|--------------------------------|
| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information



millie is at it again . . .  
Dogeshita and Takeshita .

# Withdrawal/Redaction Sheet

## (George Bush Library)

| Document No.<br>and Type | Subject/Title of Document                                                                              | Date     | Restriction | Class. |
|--------------------------|--------------------------------------------------------------------------------------------------------|----------|-------------|--------|
| 05d. Memo                | From President Bush to Brent [Scowcroft] Re: Letter from His Royal Highness Sadruddin Aga Khan (1 pp.) | 03/12/89 | (b)(1)      |        |

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Office of the President  
**Series:** Daily Files  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Monday, March 13, 1989

|                                     |                                |
|-------------------------------------|--------------------------------|
| <b>Date Closed:</b> 2/25/2009       | <b>OA/ID Number:</b> 90505-002 |
| <b>FOIA/SYS Case #:</b> 2009-0166-S | <b>Appeal Case #:</b>          |
| <b>Re-review Case #:</b>            | <b>Appeal Disposition:</b>     |
| <b>P-2/P-5 Review Case #:</b>       | <b>Disposition Date:</b>       |
| <b>AR Case #:</b>                   | <b>MR Case #:</b>              |
| <b>AR Disposition:</b>              | <b>MR Disposition:</b>         |
| <b>AR Disposition Date:</b>         | <b>MR Disposition Date:</b>    |

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
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(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information

THE WHITE HOUSE  
WASHINGTON

March 13, 1989

Dear Barry:

Thanks for your letter of February 20th regarding the Silver Wings Fraternity. Maybe I've not been invited to join because my wings are gold, but nevertheless if the organization is broadminded enough to take in Navy pilots, I would certainly accept your recommendation that I join in some honorary capacity.

It was good seeing you in Washington. I'm sorry that John Tower lost, but even sorrier that he was dragged through this unprecedented process in such an ugly way.

Most Sincerely,



The Honorable Barry Goldwater  
Post Office Box 1601  
Scottsdale, Arizona 85252

bcc: ✓ Don Rhodes  
✓ Jan Burmeister

89 03 13

114 68

# Barry Goldwater

P. O. BOX 1601  
SCOTTSDALE, ARIZONA 85252

February 20, 1989

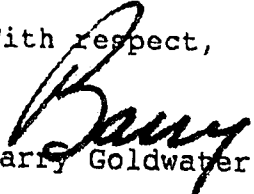
President George Bush  
The White House  
1600 Pennsylvania Ave.  
Washington, D.C. 20500

Dear Mr. President:

This letter comes from one pilot to another. I just want to make a suggestion. There is an old, old organization in this country, called the Silver Wings Fraternity, which goes back farther than I can remember. I've been a member myself for almost as many years as I've been flying, and that's about sixty.

I would sure like to see you join this organization. You don't have to attend any meetings, you don't have any dues to pay, we just want to get your name on our roster, and have people know that you were, and are, a pilot, would be a wonderful thing. I sincerely hope you will give this your personal attention.

With respect,

  
Barry Goldwater

copy: Russ Brinkley

3/13/89

018481  
GI002

Dear Friends:

Please accept my heartfelt thanks for your very kind letter and the wonderful gifts which Senator Gorton presented on the occasion of your visit to the United States.

Your warm sentiments and thoughtful gesture of support for my Presidency are truly appreciated. I will continue to treasure the beautiful handpainted egg and the historical Georgian belt as special keepsakes of your friendship -- and of the goodwill which you are so admirably promoting between the Russian and American peoples.

With the hope that you had a rewarding visit, and with my best wishes for the future.

Sincerely,

GEORGE BUSH

Mr. Tengiz Sulkhanishvili  
Mr. Shota Lomidze  
Mrs. Gulmadi Lomidze  
Ms. Elizabeth Sulkhanishvili  
Tbilisi, Georgia  
Union of Soviet Socialist Republics

GB:CMF:SMG:JEH:dss (3PMNB)

WHcc:  
The Honorable Slade Gorton  
United States Senate  
Washington, D.C. 20510

cc: Gift Unit  
cc: Jan Burmeister - #94

DISPATCH THROUGH STATE

Note: FOR THE PRESIDENT TO SEE AND SIGN

890314

THE WHITE HOUSE  
WASHINGTON

March 13, 1989

Dear Friends:

Please accept my heartfelt thanks for your very kind letter and the wonderful gifts which Senator Gorton presented on the occasion of your visit to the United States.

Your warm sentiments and thoughtful gesture of support for my Presidency are truly appreciated. I will continue to treasure the beautiful handpainted egg and the historical Georgian belt as special keepsakes of your friendship -- and of the goodwill which you are so admirably promoting between the Russian and American peoples.

With the hope that you had a rewarding visit, and with my best wishes for the future,

Sincerely,



Mr. Tengiz Sulkhanishvili  
Mr. Shota Lomidze  
Mrs. Gulmadi Lomidze  
Ms. Elizabeth Sulkhanishvili  
Tbilisi, Georgia  
Union of Soviet Socialist Republics

890314

THE WHITE HOUSE  
WASHINGTON

Mar. 4

Shirley --

Letters to foreign general  
public citizens are not normally  
cleared thru NSC -- only letters  
to foreign officials and to general  
public if there's specific policy  
language included.

I don't see clearing this one  
unless you detect a reason.

Charles

✓  
GB sig

March 6, 1989

Dear Friends:

Please accept my heartfelt thanks for your very kind letter and the wonderful gifts which Senator Gorton presented on the occasion of your visit to the United States.

Your warm sentiments and thoughtful gesture of support for my Presidency are truly appreciated. I will continue to treasure the beautiful handpainted egg and the historical Georgian belt as special keepsakes of your friendship -- and of the goodwill which you are so admirably promoting between the Russian and American peoples.

With the hope that you had a rewarding visit, and with my best wishes for the future,

Sincerely,

Mr. Tengiz Sulkhanishvili  
Mr. Shota Lomidze  
Mrs. Gulmadi Lomidze  
Ms. Elizabeth Sulkhanishvili  
Tbilisi, Georgia  
Union of Soviet Socialist Republics

whcc: Senator Slade Gorton  
cc: Gift Unit

GB:CMF:SMG:JEH

DISPATCH THRU STATE.

SLADE GORTON  
WASHINGTON

## United States Senate

WASHINGTON, DC 20510

January 31, 1989

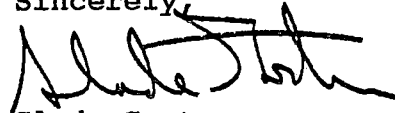
The Honorable George Bush  
The President  
The White House  
Washington, D.C. 20500

My dear Mr. President:

Recently a group of Soviet citizens visited the United States as guests of the Sabey Corporation in Seattle, Washington. The purpose of their visit was to discuss future dealings between Sabey Corporation and the Soviet Union.

Enclosed in the package are letters and gifts which the Soviet citizens wish to give to you on the occasion of your inauguration. The gifts are extended with the best wishes of the Soviet citizens.

Sincerely,



Slade Gorton  
United States Senator

SG:mld  
Enclosures

8900191

Seattle, Washington, USA  
January 20, 1989

Dear Mr. President,

At this important and happy occasion for the entire American people allow us, ordinary Soviet citizens currently on a private visit with our friends in the US, to extend our heartfelt and sincere congratulations.

We represent three different generations of our country, but, probably, for the first time when our joint peace-keeping efforts have brought about comprehensive results, we in the USSR are united in our desire to work together for the common good, to explore and find areas of agreement with millions of Americans.

It so happened that you must have been the first American President in the history of our bilateral relations to have acted nobly and in good will before the inauguration by sending your son and grandson to the earthquake disaster area, Armenia, where there is suffering, anguish and sorrow.

Rest assured, Mr. President, this act, generous and humane as it was, has much broader implications because it presents a wonderful opportunity and forceful motivation to continue dialogue at the highest level.

We, the four of us--citizens of Tbilisi, Georgia--a former athlete, a journalist, a housewife, and a medical nurse, are visiting our hospitable host, Mr. David Sabey, a businessman who has been actively involved in establishing contacts and cooperating with Soviet counterparts. All of us clearly understand what a great amount of strength, stamina and perseverance was required, what tremendous effort was made by Mr. Reagan and Mr. Gorbachev to make these kinds of relations a reality.

We sincerely believe and fervently hope, that you, Mr. President, will make further contributions to the difficult process of detente and impart it with a powerful impetus which will enhance rapprochement and goodwill.

Mr. President, one of us celebrated his birthday here in the state of Washington on January 20, and all of us around the bountiful table breached the tradition and proposed the first toast to you and your family, to your great country and wished you lots of health and well-being.

In honor of your inauguration, we are asking you to accept two humble gifts--an Easter egg, painted by wonderful Russian craftsmen and an ancient Georgian silver belt manufactured many centuries ago. The first of these two symbolizes man's longing for peace and understanding; the second has always signified reasonableness because a dagger was fastened to it.

Mr. President, let God be your guiding force in all your deeds which will bring happiness to mankind.

Sincerely,

Tengiz Sulkhanishvili - journalist

Shota Lomidze - world and European free-style wrestling champion

Gulmadi Lomidze - housewife

Elizabeth Sulkhanishvili - medical nurse

*Sulkhanishvili*  
*Sh Lomidze*  
*Gulmadi Lomidze*  
*Elizabeth Sulkhanishvili*

Сиэтл, Вашингтон, США  
20 января 1989г.

Глубокоуважаемый Господин Президент!

Позвольте в эти важные и радостные для всего американского народа дни обратиться к Вам со словами искреннего поздравления от имени четырех простых граждан Советского Союза, гостей сейчас в США у своих друзей.

Мы представляем три разных поколения жителей далекой страны. Но, пожалуй, впервые за все времена, когда общие усилия по сохранению мира стали приносить реальные результаты, нас, как большинство людей в СССР, объединили одни и те же желания и стремления - жить с Вами в согласии, сеять добро, искать и находить с миллионами американцев новые точки соприкосновения.

Так случилось, что Вы стали, по-видимому, первым американским президентом, который еще до вступления на этот высокий пост совершил в отношении нашей Родины акт доброй воли, послав в дни празднования Рождества Христова в страдающую Армению своих сына и внука. Уверяем Вас, что шаг этот был оценен не только как глубоко человеческий и гуманный, а воспринят намного шире. Потому что является отличной предпосылкой для продолжения успешного диалога в верхах.

Мы, четыре тбилисца - бывший спортсмен, журналист, домохозяйка и медсестра, приехавшие в Сиэтл, вместе с нашим радушным хозяином, молодым бизнесменом Дэйвидом Сэйби, активно участвующим в налаживании контактов с деловыми кругами СССР, отчетливо сознаем, сколько сил и энергии затратили Президенты Рейган и Горбачев для того, чтобы эта сегодняшняя ситуация стала возможной. И страстно надеемся, что Вы, Господин Президент, в свою очередь, принесете миру новое облегчение, добавите в сложный процесс разрядки мощный импульс, который еще более сблизит и породнит две великие нации.

Господин Президент! Один из нас здесь, в штате Вашингтон, 20 января отметил свой день рождения. За маленьким праздничным столом мы, вопреки традициям, первый тост подняли за Вас, Вашу семью, Вашу страну, за Ваше благополучие и здоровье.

В честь Вашей инаугурации примите, пожалуйста, два скромных подарка - пасхальное яйцо, расписанное прекрасными русскими мастерами и старинный грузинский серебрянный пояс, сработанный много веков назад. Первый олицетворяет тягу к всеобщему миру и взаимопониманию. Второй всегда символизировал рассудительность, потому что на нем крепился острый кинжал.

Да поможет Вам Бог во всех великих деяниях, которые принесут счастье всему Человечеству.

С уважением:

Тенгиз Сулханишвили - журналист

Шота Ломидзе - чемпион мира и Европы по вольной борьбе

Гулмади Ломидзе - домохозяйка

Елизавета Сулханишвили - медсестра

daily



THE PRESIDENT

March 13, 1989

Dear John,

Cong. Hammerschmidt told me  
about the passing of your Mother.  
I am sorry to be so late expressing  
my sincere condolences.  
It hurts a lot to lose

THE WHITE HOUSE

John Corbin

by hand.

a parent.

Maybe it helps  
a little to know that  
friends really care.

My respects and condolences  
to you and all your family

Ag. Bink

THE WHITE HOUSE

John Corbin

My house.

alpha

3-13-89



THE PRESIDENT

Dear Susan,

Jeffrey came to the  
White House today and  
captivated my heart.

I want to thank you

for my very  
special "chicken" —

so tasteful — Thank a lot!

I guess we can all  
learn a lot from your  
nephew — what a kid.

Sincerely, 

Ms. Susan Sabas  
5316 Fulton Avenue  
Van Nuys, California 91401

Ms. Susan Sabas

3-13-89

THE WHITE HOUSE

WASHINGTON

March 13, 1989

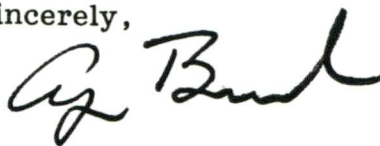
Dear General Palmer:

It was a pleasure to greet you and Coach Young when you came to the White House with Acting Secretary Taft, Secretary Marsh, and Army Chief of Staff Vuono. I was honored to present you with the Commander in Chief's trophy in recognition of your football team's best record among the service academies.

Many thanks for the running suit, shirt, and cap which Cadets Christopher Destito and Troy Lingley presented to me. I'm delighted to have these thoughtful tokens of the Academy's friendship.

With my best wishes to all,

Sincerely,

A handwritten signature in dark ink, appearing to read "George Bush", written in a cursive style.

Lieutenant General Dave R. Palmer  
Superintendent  
United States Military Academy  
West Point, New York 10996

PREPREELECTION ELECTION

THE WHITE HOUSE  
WASHINGTON

March 13, 1989

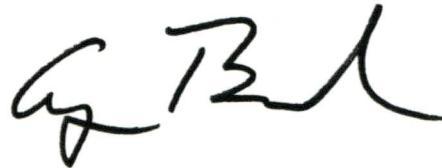
Dear Mr. Fay:

Thanks so much for the copy of California Almanac and the issue of Acacia. Your thoughtfulness in sharing these publications with me is very much appreciated.

I'm especially grateful for the support conveyed in your "Dear President Bush" letter, as well as the constructive suggestions. It means a lot to know that I can count on your friendship as I work to meet the many challenges and opportunities before our country.

With my best wishes to you and your colleagues at California State University,

Sincerely,



Mr. James S. Fay  
Editor  
California Almanac  
850 Creston Road  
Berkeley, California 94708

## George Bush Presidential Library Transfer Sheet

**COLLECTION:**

Bush Presidential Records  
Office of the President

**ACCESSION NUMBER:**

1993.0001

FOIA/SYSTEMATIC  
PROCESSING CASE  
NUMBER (if app.):

☐ Transferred During Accessioning

☒ Transferred During Processing

2009-0166-S

The following material was transferred to:



Audiovisual Collection



Book Collection



Museum Collection



Other

Other (Specify):

**DESCRIPTION:**

White House Photograph: P01264-16 [A gift from Jeffrey Baird, "Make-A-Wish" child]

When transferring  
material to the  
museum  
collection,  
complete the  
following.

Donor:

Donor Org.:

Address:

Telephone:

**Book Location:**

Row:

Section:

Shelf:

Position:

**Map Case Location:****Series:**

Daily Files

**Box Number:**

6

**Folder Title:**

Monday, March 13, 1989

**OA/ID Number:**

90505-002

Transferred by:

Deborah Wheeler

Date of Transfer:

2/25/2009

Received by:

Mary Finch

Date Received:

2/25/2009

Go to Database  
Navigator

Go to Accession  
Register

Go to Withdrawal Sheet

Print Record

A gift from  
Jeffrey Baird,  
"Make-A-Wish"  
Child.





March 13, 1989

Your Eminence:

I want to thank you for your warm and thoughtful message. Barbara and I appreciate your kind words and prayers, and they will continue to mean a great deal to us as we face the many challenges and opportunities before our country.

We are grateful for your support. God bless you.

Sincerely,

GEORGE BUSH

His Eminence Edmund  
Cardinal Szoka  
Archbishop of Detroit  
1234 Washington Boulevard  
Detroit, Michigan 48226

GB/FJK/KC/SMG/ckb (3PMND)

✓cc: Frank Kelly, 93 OEOB

890316

COPY  
from ORM

THE WHITE HOUSE

WASHINGTON

March 13, 1989

Dear Coach Young:

I was pleased to welcome you and General Palmer to the White House when you came with Acting Secretary Taft, Secretary Marsh, and Army Chief of Staff Vuono. It was indeed an honor to award you with the Commander in Chief's trophy for your team's achievement of best record among the service academies. Congratulations.

I'm delighted with the sports items I received from Cadets Christopher Destito and Troy Lingley -- and the friendship that prompted these mementos is very much appreciated.

My best wishes to you and the team,

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Bush", written in a cursive style.

Coach Jim Young  
Head Football Coach  
United States Military Academy  
West Point, New York 10996