

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.**

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

OA/ID Number: 90518
Folder ID Number: 90518-008

Folder Title:
Tuesday, August 1, 1989

Stack:	Row:	Section:	Shelf:	Position:
V	12	11	3	5

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Schedule	Schedule of the President [redaction] (1 pp.)	08/01/09	(b)(3)	
02a. Log	White House Telephone Log [E.D.T.] [redaction of personal information] (3 pp.)	08/01/89	(b)(6)	
02b. Log	White House Telephone Log [Signal Switchboard] [redaction of personal information] (1 pp.)	08/01/89	(b)(6)	
03a. Memo	From Brent Scowcroft Re: Meeting on Hostage Situation (1 pp.)	08/01/89	(b)(1)	S
03b. Agenda	Meeting on Hostage Situation (1 pp.)	08/01/89	(b)(1)	S
04. Notes	Handwritten notes of Presidential Phone call with James A. Baker, III Re: Hostages (1 pp.)	08/01/89	(b)(1)	
05. Letter	From George Bush to President Soehart, Republic of Indonesia Re: visit to the White House (1 pp.)	08/01/89	(b)(1)	
06. Form	Request for Appointments for the President [redaction] (1 pp.)	08/01/89	(b)(3), (b)(6)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Tuesday, August 1, 1989

Pinksheet Number: dw1402
OA/ID Number: 90518-008
Date Closed: 7/7/2009
FOIA/Sys Case #: 2009-0166-S
Re-review Case #:
P-2/P-5 Review Case #:

From the desk of
George Bush

Box 7

[originally located on Front Folder Flap]

Photocopy from George Bush Presidential Library

Bush Library Photocopy
George Bush Handwriting

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Schedule	Schedule of the President [redaction] (1 pp.)	08/01/09	(b)(3)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed: 7/7/2009	OA/ID Number: 90518-008
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

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



SCHEDULE OF THE PRESIDENT

Tuesday, August 1, 1989

8:00 am (15 min)	<u>Intelligence Briefing</u> (Scowcroft/Sununu)	Oval Office
8:15 am (30 min)	<u>National Security Briefing</u> (Scowcroft/Sununu)	Oval Office
8:45 am (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
9:15 am (45 min)	<u>Administrative Time</u>	Oval Office
10:00 am (2 hrs)	<u>Personal Staff Time</u>	Oval Office
12:00 pm (60 min)	<u>Lunch</u>	Oval Office
1:00 pm (3 hrs)	<u>Personal Staff Time</u>	Oval Office
4:00 pm (30 min)	<u>Administrative Time</u>	Oval Office
5:30 pm (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
6:30 pm (2 hrs)	<u>Congressional Barbecue</u> (McClure)	South Lawn (TAB A)

Photocopy from George Bush Presidential Library

7:16 add Steve Studdert 7:25 Studdert out 7:27 add Scowcroft
 7:31 add Sununu 7:59 Scowcroft + Governor S. out 8:00 add Del. Pate +
 8:01 add Scowcroft 8:08 Sununu in 8:04 Del + (b)(3) out, VP in
 8:25 Pate + Scowcroft out 8:48 VP + Sununu out 9:24 Sununu in
 10:07 Scowcroft in 10:14 Scowcroft out 11:01 Pate to Cabinet Room
 12:24 Pate to Oval add Sununu, Brady, Breiden, Danner, + ?
 1:40 Pate to A. Grounds 1:50 Pate + Sununu + Firestone to Oval UNP 07/31/89
 1:53 Sununu out 2:29 Firestone out 3:14 add Scowcroft
 3:43 add Pate 3:49 add Scowcroft 3:59 Pate + Scowcroft out
 4:05 add Scowcroft

3:30 o'clock - He is in the
4:00 o'clock - He is in the

4:49 Acorn out 4:50 add Oak Ridge Berg out
4:55 Pat, all to Haverley Pit 5:06 all to Oval
5:08 goat out Oval 5:21 Governor's farm into Oval
5:25 add Chase Undermyer 5:46 Undermyer out
5:59 add 7th grade 6:11 7th grade + Annan out
6:16 apt Oval 6:33 apt 2nd 3rd Reg. to S. farm

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02a. Log	White House Telephone Log [E.D.T.] [redaction of personal information] (3 pp.)	08/01/89	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed: 7/7/2009

OA/ID Number: 90518-008

FOIA/SYS Case #: 2009-0166-S

Appeal Case #:

Re-review Case #:

Appeal Disposition:

P-2/P-5 Review Case #:

Disposition Date:

AR Case #:

MR Case #:

AR Disposition:

MR Disposition:

AR Disposition Date:

MR Disposition Date:

RESTRICTION CODES

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

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

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.

(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 WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

E.D.T. PRESIDENT BUSH

AUGUST 1, 1989

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	5:52 AM	5:55	SITUATION ROOM WASHINGTON, D.C. WHITE HOUSE ADMIN EXT. 659	TLKD-OK
XNC	PM			
OUT	AM			
INC	PM			
OUT	10:56 AM		LAURIE FIRESTONE OFC. WASHINGTON, D.C. WHITE HOUSE ADMIN EXT. 672	LW TOLD PATTY PRESOCK PRESUS CALLED AGAIN MS FIRESTONE ON
XNC	PM			
OUT	AM			SOUTH GROUNDS PRESUS WCL 1:42PM PRESUS CA 1:43PM
INC	PM			
OUT	AM			
INC	PM			
OUT	AM		MRS RUTH GRAHAM	
XNC	2:32 PM	2:33	(b)(6)	TLKD-OK
OUT	AM			
INC	PM			
OUT	AM		CHAPLAIN JAMES D. FORD OFC. WASHINGTON, D.C. 225-2509	TLKD-OK
XNC	3:33 PM	3:35		
OUT	AM			
INC	PM			
OUT	AM		SECRETARY JAMES A. BAKER OFC. WASHINGTON, D.C. WHITE HOUSE ADMIN EXT. 420	ON PHONE TLKD TO BRIDGETT MONTAGNE TLKD-OK 3:49PM
INC	3:46 PM	3:54		
OUT	AM			
INC	PM			

Zelnick continues: In 1983 the battleship New Jersey fired on Syrian positions in Lebanon following several terrorists incidents. But few targets were hit, the damage to surrounding neighborhoods was heavy and the action infuriated many Lebanese. Intelligence sources say that during the 17 months that Higgins was held hostage, the U.S. had occasional information on the whereabouts of his captors. But even with such information available now, sources say a punitive U.S. strike could lead to retaliation against eight surviving American hostages. Another option, striking at Iran -- patron of the Hezbollah faction -- just as Libya was hit in 1986. But sources say this move would be condemned by the international community and would undermine efforts to improve relations with the Tehran government. Senior Pentagon officials tell ABC that the Joint Chief of Staff oppose military action at this time. In their view, the lack of appropriate targets and the high risk to American hostages tipped the scales on the side on caution.

Jennings discuss the Higgins situation Zelnick:

Jennings: Is there any indication that the U.S. and the Israelis have been talking or even coordinating about what they want to do next?

Zelnick: [There has been] no formal communications on this subject. The Administration is very wary about turning this episode into a U.S.-Israeli confrontation. At the same time throughout the Administration one senses the view that Israel has made a very serious mistake, that other hostages are at risk and that it would be in everybody's benefit if the Sheikh Obeid were somehow to escape from Israel and wind-up up back in Lebanon safely.

Jennings reports that the U.N. Security Council unanimously passed a resolution condemning hostage taking. Secretary-General Perez de Cuellar denounced Israel's kidnapping of Sheikh Obeid and said he felt outrage and revulsion over the claims that Col. Higgins was dead.

ABC's Don Kladstrup reports from Israel that as criticism of Israel's kidnapping of Sheikh Obeid mounted, Foreign Minister Moshe Arens tld U.S. Ambassador William Brown and visiting RNC chairman Lee Atwater, we are dealing with a crazed bunch of fanatics who don't value human life. Meeting later with reporters, Arens denied Israel has miscalculated.

(Arens: "The only way to deal with these terrorists is by using force. There's no way of talking sense to them.")

But in a way that is exactly what the Israeli government tried to do earlier today by offering to free all Shiite Moslem prisoners it is holding including Sheikh Obeid in exchange for all foreign hostages in Lebanon, including three Israeli soldiers. Obeid was considered the primary bargaining chip. But the only response was the claim that the kidnappers of Lt. Col. Higgins had killed him. Still, Israeli officials argued the gamble was worth it. This evening, a Defense Ministry coordinator for Southern Lebanon said Sheikh Obeid had confessed to being involved in the kidnapping of Lt. Col. Higgins and to helping to plan numerous serious attacks against Israel. Off camera, a number of Israeli officials are now saying they have substantial reports which indicate Higgins was killed many months ago. Reports which if true, would mean that Higgins' death was not a direct result of Israeli action. -more-

Hume continues: On the way back aboard Air Force One, senior aides said the President would take no action pending final confirmation of Higgins' death but made clear that the President had had time to think about what to do if Higgins were killed.

(Chief of Staff Sununu: "I assure you that the President and his policy advisers are aware of the broad range of options that they have to review.")

Later at the White House, spokesman Marlin Fitzwater said the President's warning of yesterday that the captors would be held responsible for Higgins' fate had been relayed to all relevant parties in the region. Meanwhile on Capitol Hill, there were the familiar frustrated calls for action, unspecified of course, and one surprising blast at the Israelis for starting all this.

(Sen. Dole: "We can't continually apologize for Israeli actions in this country when it endangers the lives of Americans in some far off country and perhaps a little more responsibility on the part of the Israelis one of these days would be refreshing.")

Late today, the President's senior national security advisers, including CIA chief Webster, arrived for a meeting carrying maps which would later also be used to brief members of Congress. The President was expected to tell those members of Congress that there is no swift, sure, surgical way to strike back at the terrorists militarily. That may be so, but it will no doubt leave some wondering what the President meant when he warned the captors yesterday he would hold them responsible for Higgins' safety.

Jennings discusses the Higgins situation with Hume:

Jennings: Lebanon has been a quagmire for the United States and for the Israelis, is Mr. Bush aware of that?

Hume: I'm sure he is. He stood by for eight years and watched Ronald Reagan try to deal with this problem. He seems resolute, he seems grim, he seems concerned but I don't think that changes the facts on the ground in Lebanon and it apparently does not change the difficulty of trying to strike back militarily or in anyway forcefully in a situation of this kind.

Jennings: Of course adding to the pressure on the President [are] the lives of two other hostages are now being threatened. A group calling itself the Revolutionary Justice Organization says it will kill the American hostage Joseph Cicippio tomorrow morning unless the Israelis release Sheikh Obeid. And that threat includes some of the same language used in the threat used to kill Col. Higgins and it adds that Cicippio's death would be clearly watched on television screens worldwide. And then a caller claiming to represent Col. Higgins' kidnappers made a similar threat to execute Terry Waite. There is simply no way to tell what these threats amount to.

ABC's Bob Zelnick reports from the Pentagon that among U.S. forces in the area of the Mid East are one battle group headed by the aircraft carrier Coral Sea, now in port at Alexandria, Egypt, and another by the battleship Iowa in port at Marseille, France. A 2,400-man Marine expeditionary force is also in the region, just south of Crete but Administration sources say these may be of little use.

NETWORK NEWS SUMMARY

(Monday Evening, July 31)

HIGGINS

ABC's Peter Jennings: It is a grisly power game which is being played out in the Middle East. The men who kidnapped Col. William Higgins say they hanged him today, a claim which has the President meeting with his National Security Council at the White House this evening in an effort to figure out what if anything the U.S. can do. The men who say they hanged Col. Higgins as a lesson for the U.S. and Israel don't have many powerful weapons at their disposal but they do have the power to impale millions of us on powerful images which cause shock and outrage and frustration. The Organization of the Oppressed on Earth released a videotape from which these pictures are taken. The colonel's kidnappers say that Higgins, 44-years-old, a hostage in Lebanon since February 1988, was killed because the Israelis refused to return a Moslem spiritual leader Sheikh Abdel Karim Obeid, who the Israelis kidnapped on Friday. In a communique dropped off at Western news organizations in Beirut today, Higgins' kidnappers said we reiterate our stand that the Sheikh must be freed because what will happen next will be worse. The videotape which the colonel's kidnappers released is different from [teh picutres on the screen] in only one respect, it shows that Col. Higgins was swinging on his make-shift gallows when the tape was made. Our view of showing it is simply based on a gut reaction, no need for us to help demean Col. Higgins by watching him swing. And there is this to consider, there's no absolute confirmation that this man is Col. Higgins, although numerous people who know him said they believe it is him. And there is no proof on the tape or otherwise that he died today as his kidnappers insist though that very much appears to be the basis on which President Bush is currently operating.

ABC's Brit Hume: At this hour the President has a scheduled meeting with congressional leaders. In the past that has been a tip off that some military action or retaliation is either planned or already underway but the best information we have tonight is that that's not the case this time, although the President did rather dramatically break off a trip today to come back and deal with this issue. Grim and seemingly shaken as he returned to the White House this afternoon, the President said he still had no confirmation Higgins was dead. But his emphasis was nonetheless on indignation at the claimed execution.

(President Bush: "There is no way that I can properly express the outrage that I feel. And somehow there has got to be a return to decency and honor even in matters of this nature. It is a most troubling and disturbing matter that has shocked the American people right to the core.")

The President knew of the videotape but learned that it apparently did show Higgins just before Mr. Bush was to speak to the National Governors Association in Chicago. It was then aides said that he decided to return to Washington.

-more-

Tuesday, August 1, 1989 -- A-12

LOS VEGAS AD MAN JOINS BUSH'S STAFF

Sig Rogich, head of a large Las Vegas-based advertising firm and a key advertising adviser in President Bush's 1988 campaign, will join the White House staff this fall, Administration officials said Monday.

Rogich, whose advertising for casinos as well as candidates reportedly made him a millionaire, will replace Steven Studdert in a job whose chief function has been orchestrating the President's public appearances to best deliver his message.

White House officials said Rogich traveled from Chicago to Washington with Bush aboard Air Force One Monday when the deal was finalized. Studdert, who has been rumored to be leaving for weeks, announced the Rogich appointment to his staff Monday afternoon, officials said.

(Ann Devroy, Washington Post, A4)

EDITORS NOTES: "Von Raab Departs, Blasting Bosses," by Michael Isikoff, appears in the Washington Post, A19.

"President To Appear At Scouts' Jamboree," by Matt Neufeld, appears in the Washington Times, B4.

"Former Rivals Meet Again," by Richard Benedetto, appears in USA Today, A5.

-end of A-section-

ADMINISTRATION WILLING TO CONSIDER S&L COMPROMISE

The Bush Administration is willing to discuss a compromise on financing the President's S&L bailout, but won't consider any plans offered so far, a senior Treasury official says.

Under Secretary for Finance Robert Glauber, in an interview Monday, said a compromise would be considered if it doesn't undermine the spending discipline imposed by the Gramm-Rudman balanced budget law.

"Whether there is something else lurking out there that would preserve what is important to the Administration, which is the integrity of the Gramm-Rudman-Hollings process...is the issue," he said. "We're certainly prepared to look at what somebody could come up with."

(Dave Skidmore, AP)

MOST BIG BANKS CUT PRIME RATE TO 10.5%, IN MOVE THAT FINALLY MAY AID CONSUMERS

NEW YORK -- Most major banks cut their prime lending rates half a percentage point to 10.5%, a move that could finally reduce borrowing costs for consumers and small businesses.

Monday's long-awaited reduction follows a similar cut Friday by San Francisco-based Bank of America. The banks took their time following Chase Manhattan Bank, which often leads prime-rate changes and which reduced its own prime rate from 11% three weeks ago.

(Constance Mitchell, Wall Street Journal, A2)

CLEANUP AT NUCLEAR WEAPONS PLANTS WILL COST \$17.2 BILLION IN 5 YEARS

The Energy Department proposes to spend as much as \$17.2 billion in the first five years of a major nuclear weapons plants cleanup, under a plan being announced by Energy Secretary Watkins.

Watkins, who says the government must "chart a new course" to correct wrongs in the weapons program, planned to outline a broad blueprint for the first phase of the cleanup in a speech Tuesday before the National Press Club.

The five-year program, with details to be announced later this month, is the center of a long-term plan to restore confidence in the operation of the weapons production plants that have been marred by a history of environmental and safety neglect.

The department has said the overall cleanup bill for the 17 plants in a dozen states likely will exceed \$90 billion, but it is not predicted how long the cleanup might take.

(Josef Hebert, AP)

SENATE PANEL HEADS FOR SHOWDOWN ON LUCAS NOMINATION

The Bush Administration says it wants a Senate floor vote this week on William Lucas's controversial nomination to become the nation's top civil rights enforcer.

"We hope to have him cleared this week before the Senate adjourns," Justice Department spokesman David Runkel told reporters Monday....

A failure to get a favorable recommendation from the committee likely would prompt the Administration to guide the nomination to the floor by an alternative route. But a rebuff would prove embarrassing.

Sen. Heflin...remained uncommitted.

(Mike Robinson, AP)

States Back Bush Call For Better Schools;
But Governors Fear Bearing Brunt Of Costs

CHICAGO -- The nation's governors Monday welcomed President Bush's invitation to help formulate the next steps in education reform, but expressed alarm at Washington's inclination to send state governments the bill for improvements in social programs.

Before Bush arrived at the annual summer meeting of the National Governors' Association, bearing an invitation to a Sept. 27-28 "education summit" at an undetermined location, the governors spent an entire 90-minute executive session trading concerns about the way new federal mandates in health and welfare are driving up state budget costs with no compensating increase in federal aid....

In his brief appearance, Bush invited the governors to meet with him and key Administration officials in September "to strengthen our schools, to enlarge opportunities and to improve our nation's education performance."

(Dan Balz & David Broder, Washington Post, A9)

BIDEN: BUSH BREEDING CYNICISM IN WAR ON DRUGS

President Bush is breeding cynicism in the war on drugs by calling for laws that already are on the books and failing to seek full funding of drug legislation, says the chairman of the Senate Judiciary Committee.

"The war of words, what has it wrought?" asked Sen. Biden. "What it has wrought so far is cynicism, political opportunism, and some despair."

Bush "is able to stand up at his inauguration and say, 'This scourge will end,' and then have no one 'call' him when he refuses to use the tools already available to him to fight the war on drugs," Biden said Monday in a speech at the National Press Club....

Among the laws sought by Bush that Congress already has passed, Biden contended, are longer sentences for drug dealers, the death penalty for some drug dealers, minimum prison terms for weapons offenders and preventive detention for people arrested with drugs.

(Carolyn Skorneck, AP)

DRUG ABUSE SAID TO DECLINE
U.S. Study Shows Big Drop From '85 To '88

A major new federally sponsored study has concluded that the number of Americans using cocaine, marijuana and other illegal drugs declined by 37 percent over the past four years, a sharp drop that surprised many of the government's leading anti-drug experts.

At the same time, the study -- based on a nationwide household survey of 8,814 respondents -- concluded that cocaine addiction has grown substantially, especially among the young and unemployed. Between 1985 and 1988, the number of people who used cocaine once a week or more jumped from 647,000 to 862,000, a one-third increase that National Drug Policy Director Bennett called "shocking and unacceptable."

The study also estimated that 484,000 people used crack...at least once a month and that 2.4 million had tried the drug once. These figures represent the first government estimates on the prevalence of crack....

The survey findings reflected trends that have been reported for some time, particularly the growing intolerance of many middle-class Americans towards drug use of any kind, including alcohol and tobacco.

(Michael Isikoff, Washington Post, A1)

-more-

Bush Enlists Governors On Education Crisis

President Bush, addressing the nation's governors Monday in Chicago, summoned them to meet with him in September to discuss education -- history's third summit of governors and a president on a national crisis.

"Together, we can find ways to strengthen our schools, to enlarge opportunities and to improve our nation's educational performance," Bush told members of the National Governors' Association at the Hyatt Regency Chicago....

Gov. Thompson said he would seek to have the education summit, scheduled for Sept. 27-28, held in Chicago.

Bush said, "Today we do not meet in a spirit of immediate crisis. There are plenty of problems out there, but the nation is sound.

"But the decline of our education system, the threat of crime and drugs, the economic dependency of so many -- these problems threaten to endanger the very leadership position of America in the next century."

(Jim Merriner, Chicago Sun Times, A5)

Bush Calls Governors To Rare Summit

CHICAGO -- President Bush summoned the nation's governors Monday to a summit meeting next month on an "issue of vital national importance": education.

"Together, we can find ways to strengthen our schools, to enlarge opportunities and to improve our nation's educational performance," Bush told the National Governors' Association.

The meeting will be held Sept. 27-28, probably in Washington....

The governors' reaction Monday was favorable, but they did not seem to think the summit would result in either a large increase in federal funds for schools or a strict national policy.

(Frank Murray & Steve Crane, Washington Times, A4)

Bush Calls Education Summit With Governors

CHICAGO -- President Bush Monday invited the nation's governors to a September "summit" conference on education.

"Together we can find ways to strengthen our schools, enlarge opportunities and to improve our nation's educational performance," Bush said in an address to the National Governors' Association....

"I want to renew my pledge to assemble the nation's governors in a summit, to share ideas and to explore options for educational progress," Bush said before returning to Washington to deal with the reported execution of Lt. Col. Higgins.

Bush said he was concerned about "a nation in which a half of our youth is ignorant of geography, in which drugs are rampant and in which a substantial proportion of the populations knows little hope."

He added, "Such a nation will not long remain competitive. In the final analysis, improving our schools, driving out drugs and bringing hope and opportunity to those who need it most -- these are issues of our national well-being, even our national security."

(Benjamin Shore, Copley)

NATIONAL NEWS

PRESIDENT PROPOSES SCHOOL SUMMIT

President Bush summoned the nation's governors Monday to a summit on education reform and touted the major domestic policy initiatives of his new Administration as the basis for "a national consensus in spite of overriding budget difficulties."

Members of the National Governors' Association gave Bush an 'E' for effort, but many expressed skepticism that the President can make good on a pledge to assist state governments while vowing not to raise taxes.

Bush, who campaigned last year on a promise of becoming "the Education President," invited the governors to confer with him Sept. 27-28 on a \$441 million education reform package he offered to Congress last April and "to share ideas and to explore options for educational progress."...

Using his speech at the governors' annual meeting in Chicago to praise their mutual leadership roles, Bush told the governors, "We've got to find our collective will as a nation" to fight illiteracy, drug abuse and crime.

"First and foremost are our children and their education," Bush told the governors meeting at the Hyatt Regency Chicago Hotel. "Working together, you and I can raise the level of learning in the classrooms of America."
(Thomas Hardy & Rick Pearson, Chicago Tribune, A1)

Bush Announces Special Meeting With Governors

CHICAGO -- President Bush announced Monday that he would convene a summit of the nation's governors in September to stem the decline in the quality of education in the U.S.

"Together, we can find ways to strengthen our schools, to enlarge opportunities and to improve our nation's educational performance," Bush said at a meeting of the National Governors' Association.

Bush compared the meeting, scheduled Sept. 27-28, to a historic gathering of governors with then-President Franklin Roosevelt to help rebuild from the Depression....

"I think an exchange of ideas, a sense of direction at the national level and an impetus from the executive branch could be extremely helpful to all states with respect to education," Texas Gov. Clements said.

Other governors attending the three-day conference generally agreed....

New York Gov. Cuomo...said he was pleased that Bush had focused on education, which he described as long a part of the Democratic Party's "agenda of concern." But Cuomo questioned whether the President would be committed to stepping up federal funding to improve education.

(Wayne Slater, Dallas Morning News)

JARUZELSKI ALLY NAMED POLISH PRIME MINISTER
Kiszczak Has Held Interior Post Since '81

WARSAW -- Gen. Czeslaw Kiszczak, who eight years ago helped Gen. Jaruzelski impose martial law and this spring led government negotiators in concluding a far-reaching political settlement with the Solidarity opposition, has been nominated by the Polish Communist Party as the country's next prime minister.

If confirmed by the legislature, as appears certain, he will replace Mieczyslaw Rakowski, who was elected Saturday to take over from Jaruzelski as Communist Party chief. The two appointments put the top jobs in both the party and the government in the hands of men loyal to Jaruzelski.

(A.D. Horne, Washington Post, A12)

EDITOR'S NOTES: "Bush's First Foreign Policy Crisis Brews As He Confers On Mideast Terrorist Threat," by Walter Mossberg & Gerald Seib, appears in the Wall Street Journal, A14.

"Castro's 'Iron' Response On Drugs Masks Issues," a news analysis by Julia Preston, appears in the Washington Post, A14.

"Bloch Reportedly Told FBI Of Meeting Suspected Agent," by Walter Pincus, appears in the Washington Post, A1.

###

BUSH VETOES RESTRICTIONS ON FSX PLAN

President Bush vetoed legislation Monday to impose conditions on a \$6 billion program with Japan to co-produce the advanced FSX jet fighter, claiming it undercuts his sole authority to make international trade and arms deals.

In his veto message, Bush said the legislation would rewrite the Constitution to allow Congress an equal say in future foreign trade negotiations, especially when sensitive U.S. military technology is involved.

"In the context of negotiations with foreign governments, it is imperative that the United States speak with one voice," the President said in a three-page veto letter to Congress.

(Paul Bedard, Washington Times, A5)

JAPAN'S OLD GUARD STOPS FRONT-RUNNER FOR PREMIER

TOKYO -- With swift, ruthless finesse reminiscent of the shoguns, a small group of power brokers in Japan's ruling party Monday killed a bid by a relatively young politician to become the country's next prime minister.

The move quashed the aspirations of Ryutaro Hashimoto, the photogenic 52-year-old secretary general of the LDP....

(Paul Blustein, Washington Post, A15)

CALERO ACCUSES STATE DEPT. OF SAPPING CONTRAS

Nicaraguan Contra leader Adolfo Calero blasted the State Department Monday for "usurping command" of the Contras and accused department officials of seeking to "undermine" the rebels' political leadership in an attempt "to liquidate" the Contras.

Calero charged department officials with spreading false reports on Capitol Hill of alleged Contra misuse of U.S. funds, with seeking to oust him and other Contra political leaders, and with secretly directing a group of rebel military commanders in their meetings last week with the Central American presidents.

Calero's unusually harsh public statements, including criticism of specific State Department officials by name, brought into the open a months-long, behind-the-scenes struggle between the department and veteran Contra leaders over the rebel movement's future.

(Joe Pichirallo, Washington Post, A1)

NORIEGA CROSSES U.S. BASE

PANAMA CITY -- Gen. Noriega, in an apparent act of defiance toward the U.S., Monday led a parade through part of a military base reserved for American servicemen.

The incident at Fort Amador, a Panama City military base jointly administered by the U.S. and Panama, occurred during events marking the eighth anniversary of the death of Panamanian leader Gen. Omar Torrijos.

Gen. Noriega, leading a procession of several hundred army officers to Gen. Torrijos' tomb on the base, suddenly veered off the road and marched across a golf course in the U.S.-administered part of the base.

The parade passed in front of houses occupied by senior U.S. officers....

A military spokesman for the U.S. Southern Command declined comment on the incident. (Adrian Croft, Reuter, Washington Times, A9)

-more-

Relatives Reserve Grief, Remain Skeptical Of Higgins Death

Several relatives of...Lt. Col. Higgins watched a videotape from Lebanon showing a hanged man Monday, but said they were unable to determine whether it was Higgins.

Higgins' sister, Mary Fischer, said she remained skeptical of the videotape...because previous reports erroneously claimed her brother had been executed....

William Higgins' wife, a major in the Marine Corps who watched the videotape, said she also was unable to determine whether the hanged man was her husband. (Carole Fleck, UPI)

SAUDIS NEGOTIATE FOR GULF BARGE BASE

CAIRO -- Saudi Arabia has entered into secret negotiations with the U.S. Defense Department to take over all or some of the cost of operating the floating barge base the U.S. Navy established in the Persian Gulf at the height of the "tanker war" with Iran, according to Western sources.

Such a step by Saudi Arabia reflects the nervousness that still exists in the Persian Gulf shipping lanes and in Arab capitals over Iranian intentions in the wake of the Persian Gulf War cease-fire, according to one U.S. official in the region.

It also reflects, according to other Western analysts, the unresolved state of hostility that has existed between Tehran and Riyadh since the July 31, 1987, rioting by Iranian pilgrims in the holy Moslem city of Mecca. (Patrick Tyler, Washington Post, A22)

BAKER MEETS WITH CHINA'S FOREIGN MINISTER

PARIS -- Secretary of State Baker met Monday with Chinese Foreign Minister Qian Qichen in the first high-level contact between their two countries since the June army massacre of demonstrators in Beijing. The meeting took place on a day in which China, at an international conference, distanced itself from the Khmer Rouge in a move that could facilitate a peace settlement in Cambodia.

In short, subdued speech before the conference on Cambodia, Qian omitted any mention of the Khmer Rouge or its leaders by name and agreed with the other major powers here on the general outline for ending Cambodia's 10-year-old war....

Baker told reporters later as he flew back to Washington that the U.S. and China should "seek to preserve" the relationship that had been built over the past decade despite the Chinese crackdown....

Baker took up the army massacre as well as Cambodia and other issue in his [90-minute] talk with the Chinese minister. Baker said the conversation did not touch on Bush's sanctions.

Baker is understood to have told the Chinese official that "if China wants to continue its reforms...it ought not to turn inward and not engage in conduct that would not be understood by the international community." Baker and Qian may have had a stormy meeting. A U.S. official called it "a frank and candid discussion." (Elizabeth Becker, Washington Post, A1)

Bush's Options For Retaliation Are Limited

Pentagon officials acknowledged Monday that the U.S. has gone so far as to practice bombing raids against the Iranian-backed Hezbollah, the so-called Party of God that kidnapped Lt. Col. Higgins and perhaps engineered his murder.

But the officials said no president has authorized military action against the group for fear of killing innocent people, one of several considerations limiting President Bush's options in avenging the death of Higgins.

These officials added that Defense Secretary Cheney met with the Joint Chiefs of Staff late Monday to review bombing and other retaliatory options before presenting them to Bush....

If Bush wants to make a quick retaliatory strike, Pentagon sources said, he most likely would have to focus on what the military calls "ready strike," or RS, folders....

Many of the conditions that have deterred past presidents from avenging terrorist action appear to be present in the Higgins case. They include the difficulty of identifying and locating the perpetrators, the risk of terrorists responding to any U.S. military action by kidnapping or murdering more Americans and the likelihood that such an action would ignite diplomatic fires all over the world, especially in Arab regions....

In response to a question on March 6, 1986, Bush said he believes military retaliation to counter terrorism is justified "where it could be surgically done," but ruled out "wanton destruction of human life in order to show some muscle and show some retaliation."

What Bush does about the Higgins murder, the newest President's first test in countering terrorism, will show whether he still feels that way. Past presidents from Nixon to Reagan have talked tougher than they acted when it came to employing U.S. military force in the twilight zone between all-out war and all-out peace.

(George Wilson, Washington Post, A18)

Other Hostage's Families Urge Administration To React Cautiously

The families of some of the eight Americans still held hostage in Lebanon pleaded Monday with the Bush Administration to show restraint in the face of reports that Marine Lt. Col. Higgins had been killed by his captors.

"The death, if it is so, of Col. Higgins, is tragic," said Peggy Say, whose brother Terry Anderson is the longest-held hostage. "My prayers are with his family. But he was on a U.S. peace mission. He would not want retaliation in kind."

She spoke amid growing fears for the safety of the other hostages. The Revolutionary Justice Organization -- a shadowy group intelligence sources have linked to Islamic Jihad and other militant, pro-Iranian Shiite Moslem groups -- issued a threat to execute Joseph James Cicippio, 58, Tuesday unless Israel freed Obeid....

"The only action I can think it would be worthwhile to take is diplomatic action," said Cicippio's brother Tom Cicippio. "I definitely do not want to see military action. I would like to see (Obeid) returned. I was very disturbed when I heard they had kidnapped the sheikh. I was afraid there would be retaliation and my fears have come to be," he said.

(Adela Gooch, Washington Post, A17)

Israel Calls On West To Stand By It In War On Terrorism

JERUSALEM -- Israel, casting doubt on reports that a shadowy pro-Iranian group in Lebanon had killed U.S. hostage Lt. Col. Higgins, has called on its Western allies to stand by it in the war on terrorism.

Deputy Foreign Minister Benjamin Netanyahu told British television that Israel would not release a senior Moslem cleric in response to a threat by another Lebanese guerrilla group to kill a second U.S. hostage....

Another pro-Iranian group, the "Revolutionary Justice Organization," threatened to kill U.S. hostage Joseph Cicippio if Obeid was not released by Tuesday evening.

Israeli officials said they did not trust the "Organization of the Oppressed World" statement and suggested Higgins had been killed long ago.
(Jonathan Karp, Reuter)

Dole Accuses Israel Of Endangering U.S. Lives

Sen. Dole accused Israel Monday of endangering American lives and bluntly warned the Jewish state that the U.S. "can't continually apologize for Israeli actions" when they put the lives of its citizens at risk.

Dole's unusually strong remarks about Israel, which were criticized in turn by other legislators, came as Congress echoed with cries of outrage over the reported hanging of Lt. Col. Higgins....

By nightfall, the Senate put together a lengthy resolution condemning the action and urging retaliation, and passed it by a vote of 99 to 0....

Dole said he believes the Israelis "have, perhaps good motives" in trying to force release of their own soldiers. "But certainly they know where the leverage is. The leverage is with the United States, and when these fanatics want a response, they're going to attack an American, or threaten an American, or kill an American." ...

The Senate resolution condemned the event as "barbaric, cowardly and utterly incompatible with the standards of conduct upheld by civilized people." It urged President Bush to retaliate "as appropriate and feasible" but to determine whether that could be "in a manner that would reduce the risk to Americans from terrorism."

(Helen Dewar & Adela Gooch, Washington Post, A17)

Higgins/U.N.

UNITED NATIONS -- The U.N. secretary-general Monday expressed "outrage and revulsion" at the reported murder of Lt. Col. Higgins who was kidnapped while leading a U.N. organization in Lebanon.

U.N. chief Perez de Cuellar also said President Bush asked him to help with the return of Higgins' body.

Perez de Cuellar said he had "many sources" to help him comply with the request but he still was seeking verification of Higgins' murder.

The U.N. Security Council unanimously adopted a resolution that "condemns unequivocally all acts of hostage-taking and abduction." The 15-member council also demanded the immediate, safe release of all captives "wherever and by whomever they are being held."
(AP)

Tuesday, August 1, 1989 -- A-2

Pro-Iranian Militants Threaten To Kill Another U.S. Hostage

BEIRUT -- Pro-Iranian militants have threatened to kill a second U.S. hostage in retaliation for Israel's seizure of a Shiite Moslem cleric.

The "Revolutionary Justice Organization" said it would kill hostage Joseph Cicippio by 2 p.m. EDT Tuesday unless Israel released Sheikh Obeid by a deadline set for three hours earlier.

The threat came within hours after...the "Organization of the Oppressed of the World" announced Monday it had hanged Lt. Col. Higgins because Israel had failed to free Obeid. (Zina Hemady, Reuter)

Bush Urges Freedom For All Hostages In Middle East

President Bush Monday urged all parties holding hostages in the Middle East to release them as a humanitarian gesture to break the cycle of violence.

In a carefully worded statement issued by White House spokesman Fitzwater, Bush reiterated his position, expressed last Friday, that the taking of any hostage was not helpful to the Middle East peace process.

"Tonight I wish to go beyond that statement with an urgent call to all, all parties, who hold hostages in the Middle East to release them forthwith, as a humanitarian gesture, to begin to reverse the cycle of violence in that region," he said. (Reuter)

Israel Offers To Swap Captives For Lebanon Hostages

JERUSALEM -- Defense Minister Rabin, acknowledging that Israeli action had threatened Western hostages in Lebanon, offered Monday to release Lebanese Shiite Moslem leader Obeid and all other Shiite prisoners Israel holds in exchange for the hostages.

Senior officials here, meanwhile, cast doubt on claims by a Lebanese extremist group that it had "executed" captive U.S. Marine Lt. Col. Higgins because of Israel's failure to free Obeid, who was spirited from his village in south Lebanon by Israeli commandos early Friday....

Officials sources confirmed that Israel had decided to seize Obeid as part of an effort to free three captive Israelis in Lebanon and had acted without consulting the U.S. or other governments, despite the possible impact on Higgins and other hostages. Speaking to reporters today, Rabin said that Israel had expanded its offer of an exchange to include all Western hostages because the other captives now "are being threatened in the wake of Israeli action." (Jackson Diehl, Washington Post, A1)

Administration: 'No Negotiations' With Terrorists

The Bush Administration, alerted that Israel was going to offer a hostage swap Monday, restated through formal channels its policy of no negotiations with terrorists.

As reports surfaced that an American hostage had been killed and President Bush cut short a two-day trip to return to Washington, White House Chief of Staff Sununu also said the U.S. would be examining precisely the circumstances under which Lt. Col. Higgins died and whether last week's Israeli commando raid and kidnapping was to blame.

After reports that Higgins had been murdered, Sununu was asked if the Israeli kidnapping was responsible for the American's death.

"I don't think there is any capacity to draw a conclusion like that at this time," Sununu replied. "That will be one of the things reviewed when all the details are in." (Lori Santos, UPI)

INTERNATIONAL NEWS

EXTREMIST GROUP CLAIMS TO HAVE KILLED U.S. HOSTAGE Radical Shiite Faction Releases Tape Said To Show Hanging Of Higgins

BEIRUT -- A pro-Iranian Shiite Moslem group claimed Monday to have killed U.S. Marine Lt. Col. William Higgins in revenge for the abduction by Israel of a Shiite religious leader, and another group later threatened to kill another American hostage if the cleric is not freed Tuesday.

A statement signed by the Organization of the Oppressed on Earth said Higgins was hanged as a 3 p.m. (8 a.m. EDT) deadline passed, with no response from Israel, for the release of Abdul Karim Obeid and two aides.... A videotape showing a man identified as Higgins hanging from a makeshift gallows was delivered, along with the Arabic typewritten statement, to news offices about two hours after the deadline....

"Criminal America and the Zionist enemy did not take our decision to execute the American spy seriously, and Sheikh Abdul Karim Obeid and his close associates were not freed according to the set time frame," the group said in a statement delivered with the videotape, emphasizing that both its "threat and the life of Higgins, as well as our precious sanctities were taken lightly."

The communique said Higgins's execution should be seen as "an example for those who will learn, a punishment for the living, and a reminder to those who had a heart, who heard and who witnessed." The group reiterated its demand for the immediate release of Obeid and his two aides and warned "what is to come will be more formidable, and America and Israel will be fully responsible." ...

In Nicosia, Cyprus, an anonymous caller claiming to speak for the Oppressed on Earth told AP that the group would also kill a British hostage, Anglican Church envoy Terry Waite, on Tuesday if demands for Obeid's release are not met. (Nora Boustany, Washington Post, A1)

Bush Voices Outrage, But Issues No Order For Retaliation

President Bush, expressing "outrage" at the "brutal murder" of Marine Lt. Col. William Higgins, called a high-level meeting of his national security advisers Monday night at which he reviewed contingency plans for possible retaliation, but also heard warnings of potential risks in a military response, Administration sources said.

Bush issued no immediate orders for reprisal nor did he deploy warships near the scene, the sources said.

There was uncertainty about when Higgins was actually killed. The Administration issued no official statement confirming that the body shown in a videotape was Higgins. Bush said he did not have "final confirmation," but officials said the Administration was acting on the assumption that it was Higgins.

Rep. Dixon...said after a White House meeting that Bush faced difficult alternatives. "So you go in with troops. Is that the answer? No. They tell you it's going to cost lives if you use the military. Do you negotiate with them? No.... So you're between a rock and a hard place, any way you go." ...

Bush said the death of Higgins "is a most troubling and disturbing matter that has shocked the American people right to the core." He said, "This was a young American colonel serving in an international force, and it is incumbent on all of us to try to rectify this situation if at all possible." (David Hoffman & Ann Devroy, Washington Post, A1)



News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, AUGUST 1, 1989 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Extremist Group Claims To Have Killed U.S. Hostage -- A pro-Iranian Shiite Moslem group claimed Monday to have killed U.S. Marine Lt. Col. William Higgins in revenge for the abduction by Israel of a Shiite religious leader, and another group later threatened to kill another American hostage if the cleric is not freed Tuesday.

(Washington Post, AP, Reuter, UPI)

Pro-Iranian Militants Threaten To Kill Another U.S. Hostage -- Pro-Iranian militants have threatened to kill a second U.S. hostage in retaliation for Israel's seizure of a Shiite Moslem cleric. The "Revolutionary Justice Organization" said it would kill hostage Joseph Cicippio by 2 p.m. EDT Tuesday unless Israel released Sheikh Obeid by a deadline set for three hours earlier.

(Reuter)

NATIONAL NEWS

Bush Announces Special Meeting With Governors -- President Bush announced Monday that he would convene a summit of the nation's governors in September to stem the decline in the quality of education in the U.S. (Chicago Tribune, Chicago Sun-Times, Dallas Morning News, Washington Post, Washington Times, Copley)

NETWORK NEWS (Monday evening)

HIGGINS -- The men who kidnapped Marine Lt. Col. William Higgins say they hanged him.

DRUGS -- A nationwide survey indicates that 25% fewer Americans used illegal drugs last year compared to 1985.

VON RAAB -- Customs Commissioner von Raab criticized some government colleagues involved in the war on drugs.

INTERNATIONAL...A-1

NATIONAL NEWS...A-8

NETWORK NEWS....B-1

EDITORIALS.....C-1

Tuesday, August 1

6:00 Breakfast for the President
7:07 The President to the Oval Office
10:20 Laurie Firestone and group of reporters to
Second Floor 11:05 down
1:45 The President to the South Grounds
2:00 The President to the Oval Office
5:30 Guests arrives for congressional BBQ
6:17 The President to the Second Floor
6:35 The President to the South Grounds
8:48 The President to the Second Floor
10:17 Retired

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 1 August 1989

TIME

MOVEMENTS

[illegible]

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM
SIGNAL SWITCHBOARD

August 1, 1989

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	AM		Conference Call: Pope John Paul II	LW with Mr. Creagan 3:00 PM Tlkd-ok 4:15 PM
INC	2:50 PM	4:26	(b)(6)	
OUT	AM			
INC	PM			
OUT	AM		Mr. Sandy Charles White House Situation Room White House Signal 2-2262	
INC	PM			
OUT	AM		Conference Call: Prime Minister Turgut Ozal	Tlkd-ok 3:43 PM
INC	3:31 PM	3:48	(b)(6)	
OUT	AM		Mr. Robert L. Hutchings White House Situation Room White House Signal 2-2264	
INC	PM			
OUT	AM		Ms. Nuran Kolan White House Situation Room White House Signal 2-2264	
INC	PM			
OUT	AM		Conference Call: President Kenan Evran	Tlkd-ok 4:28 PM
INC	3:31 PM	4:48	(b)(6)	
OUT	AM		Mr. Robert L. Hutchings White House Situation Room White House Signal 2-2264	
INC	PM			
OUT	AM		Ms. Nuran Kolan White House Situation Room White House Signal 2-2264	
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02b. Log	White House Telephone Log [Signal Switchboard] [redaction of personal information] (1 pp.)	08/01/89	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed: 7/7/2009	OA/ID Number: 90518-008
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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.

(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 WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

AUGUST 1, 19⁸⁹

E.D.T. PRESIDENT BUSH

	TIME		DISC	NAME	ACTION
	PLACED				
QMX		AM		MR. TIM McBRIDE	
INC	9:15	PM	9:16	(b)(6)	TLKD-OK
OUT		AM			
INC		PM			
OUT		AM		MRS. ELIZABETH HOTZ	
JNG	9:30	PM	9:47	(b)(6)	TLKD-OK
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			

THE WHITE HOUSE
WASHINGTON
TELEPHONE MEMORANDUM

E.D.T. PRESIDENT BUSH

AUGUST 1, 1989

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	AM		MRS. BARBARA BUSH	MRS. BUSH IS AT THE
INC	4:01 PM	5:24	(b)(6)	POOL LW WITH
OUT	AM			WATCH COMMANDER
INC	PM			TOLD PATTY PRESOCK
OUT	AM			TLKD-OK 5:23PM
INC	PM			
OUT	AM		GOVERNOR JOHN SUNUNU	
INC	4:09 PM	4:10	WASHINGTON, D.C.	
OUT	AM		NO NUMBER CALLED FROM OUTSIDE	TLKD-OK
INC	PM		ON NON-PUB LINE	
OUT	AM			
INC	PM			
OUT	AM		MRS. BARBARA BUSH	WALKING THE DOG
INC	8:51 PM	9:07	(b)(6)	TOLD PRES. BUSH
OUT	AM			TLKD-OK 8:59PM
INC	PM			
OUT	AM		MR. TIM McBRIDE	
INC	8:58 PM	8:59	(b)(6)	
OUT	AM			TLKD-OK
INC	PM			
OUT	AM			
INC	PM			

Jennings says that such reports have been around for some time but there's no public indication today that if the Israelis believe Col. Higgins died sometime ago that they communicated that to the U.S. And it is widely believed that there was no consultation with the U.S. before the Israelis went into Lebanon and kidnapped Sheikh Obeid on Friday.

Jennings interviews Israeli Ambassador to the U.S. Moshe Arad:

Arad: The right policy is to be determined, to be tough, to be persistent to negotiate when it's necessary and not to give in to threats and violence.

Jennings: Did you consult with the United States before you went in to kidnap Obeid?

Arad: First of all we don't see this as a kidnapping, we see this as a determined policy and self-defense.

Jennings: But if you go and take him from one country to the other what do you call it besides kidnapping?

Arad: You call it apprehending and bringing him before those who have an immediate responsibility to defend the lives and the peace of Israeli citizens and of all those involved.

Jennings: You are dealing with very hard men on the other side of the Lebanese-Israeli border who hold other foreign hostages including Americans what happens if they now up the ante?

Arad: We are determined to continue our struggle against terrorism. We hope that we can stand together -- I'm sure that we will stand together -- and let's not forget that the people on the other side of this line are without scruples and intend to bring about the destruction of the state of Israel and of Western presence in the Middle East and I think we have to confront them.

Jennings reports that in Jerusalem tonight the Israeli Deputy Foreign Minister, Benjamin Netanyahu, told the BBC that the Moslem cleric who they captured would not be returned despite the threats against two other hostages in Lebanon. (ABC-Lead)

NBC's Tom Brokaw: American Marine Colonel William Higgins. His fate is the subject of an emergency meeting that President Bush has convened with congressional leaders at the White House at this hour. Higgins was reportedly executed in retaliation for the Israeli kidnapping Friday of Sheikh Abdel Karim Obeid, a Hezbollah leader in Lebanon. A pro-Iranian organization in Lebanon claims that Higgins was hanged today when the Israelis refused to release Obeid. That cannot be absolutely confirmed, but the claim and these graphic pictures have brought the hostage situation back to a crisis stage. And later today another pro-Iranian organization claimed it would kill American hostage Joseph Cicippio if Obeid is not freed. And still another group is said to be threatening the life of British hostage Terry Waite who disappeared in 1987 while trying to negotiate freedom for all the hostages.

NBC's Martin Fletcher reports from Israel that the deadline for killing Higgins passed and minutes later Israel offered a full hostage swap, all its Shiite Moslem prisoners for all Western hostages held in Lebanon. Thirty minutes later, the Shiite radicals announced they had killed Col. Higgins. The Organization of the Oppressed of the World sent a typewritten statement to a news agency in Beirut along with a videotape they claimed showed Col. Higgins after his death by hanging, they threatened more. If the Sheikh isn't released immediately, they threatened, worse will come, and America and Israel will be responsible. Israel's Defense Minister said the full responsibility now rests with the terrorists after he'd proposed a prisoner swap.

(Defense Minister Rabin: "We are ready to make a deal of exchange with the Shiite groups of all our prisoners of war for all the other hostages.")

Later, Israeli leaders were shocked of the news that Higgins was dead and they wouldn't comment beyond questioning whether Higgins really was killed today or months ago.

(Foreign Minister Arens: "In past cases they have killed people without anybody knowing the people had been killed. At this stage of the game we just don't know.")

When the Israelis kidnapped Sheikh Obeid, they knew they'd kidnapped a big fish. The Hezbollah reaction is proof to them of how important he is to the Lebanese and their Iranian paymasters. The Israelis say there's no way they'll release Obeid except as part of a prisoner swap, but their concerned about criticism in Washington that the Israeli kidnapping cost the life of Col. Higgins.

Brokaw reports that Col. Higgins' wife Robin, a major in the Marine Corps, said the claim of her husband's execution was not pleasant. Yet she said that the one thing that she has learned over the last 17 months is that the truth is hard to find and tonight it remains so. What about the issue of negotiating for the release of other hostages. Other members of Higgins' family differ on whether the Bush Administration should do that. Higgins' cousin said Americans serving overseas know the policy.

(Leonard Smith, cousin: "That's the risk that they run. This country has a no negotiation policy and rightfully so.")

(Bonnie Tully, sister-in-law: "Bush and Reagan, they go on and on and do their everyday thing and they say we don't negotiate, we don't do this, we don't do that. They don't do anything.")

(Linda Miller, sister: "If they have lost him, they have lost a terrific man. He just gave a 110% to his country.")

President Bush this evening has been meeting with national security advisers and at this hour with congressional leaders on what the United States should do now.

NBC's Jim Miklaszewski reports that the President cut short a scheduled two-day trip to the Mid West to return to the White House to deal with his first foreign policy crisis. President Bush first got word of the execution announcement while on route to Chicago. And at a governors conference, a somber but angry Bush condemned the killing.

(Bush: "I know I speak for all here when I try to express to the American people the sense of outrage that we all feel about this kind of brutality, this uncalled for terrorism.")

Miklaszewski continues: The outpouring of America's outrage continued aboard Air Force One on route back to Washington.

(Sununu: "Not only was the kidnapping a terrible act, obviously this murder and the taping of the murder is just inhuman and barbaric.")

And in Congress.

(Sen. Nunn: "I for one feel that the perpetrators must be held accountable.")

At the White House the President's national security team arrived to receive an update and consider possible responses, diplomatic and military, although no immediate decisions were expected to be announced. One target, Iran. Frustrated American officials acknowledge there's little the U.S. can do to turn up the pressure on Iran, although they're clearly convinced Iran wields some influence over the killers.

(Robert Gates: "There is clear evidence of influence. The question is the degree of control.")

And in Congress, an unusual condemnation of Israel.

(Dole: "I would hope the Israelis would take another look at some of their actions which they must know in advance will endanger American lives.")

And late tonight, the Senate passed an amendment to the defense bill, 99-0, calling for the President to retaliate against Higgins' executioners and ask Israel to explain its recent actions. The White House doesn't like that kind of pressure but there is some anger here and some disappointment over recent Israeli actions. And even some anger at the last minute offer made by the Israelis for a hostage swap. According to one official, that offer came one body to late.

NBC's Fred Francis reports from the Pentagon that for a decade Islamic radicals have humbled American Presidents by taking hostages and in the process revealed the impotence of U.S. military power. Few at the Pentagon tonight expect the President to get out of that rut. All the President's military options are bad ones. First, Beirut's southern slums, where Col. Higgins was held and where most of the terrorists are entrenched is densely populated. Retaliation, even a so-called surgical bombing strike on a terrorist headquarters, could kill hundreds of innocent civilians. A commando raid to rescue hostages or attack the Shiite clerics has always been rejected even when hostages locations were known to the CIA because the Pentagon predicted that half the commando force would be killed or wounded. Another option, to bomb terrorists training camps and buildings in Lebanon's Bekka Valley, is flawed because the danger of losing pilots to ground missiles is too great. And if the President acts what becomes of the other eight American being held in Lebanon. The hostage dilemma tied Ronald Reagan in knots and led to the Iran-Contra affair. One Pentagon source said that in the last six months of his presidency Reagan did not want to discuss hostages at all. In the first six months of Bush's administration, sources say, the hostage issue has been all but ignored. President Reagan did trade arms and get two hostages back, other nations have ransomed their hostages, the Soviets killed a member of a terrorist family when one of their own was kidnapped and the Israelis pulled off a snatch and tried to make a swap. All options that President Bush has rejected because there is no way to predict which plan will be least dangerous for the Americans held captive.

Brokaw discuss the Higgins situation with Francis:

Brokaw: It seems there are two outstanding questions about Col. William Higgins himself. If in fact that is him in the videotape, that's the first question, and secondly, was he killed today? How can the Pentagon determine whether that's Higgins?

Francis: Two ways. Higgins was at the Pentagon for almost four years before going to Lebanon. Today virtually everyone who knew him looked at that videotape including his wife Robin. While she could not be positive, she thought it was her husband. Secondly, pathologists will go over the videotape and take sizes to make a determination. But when was Higgins killed, was it this morning or was it a year ago? I had to go Prague a year ago to talk with one of the terrorist's families holding Higgins and the others, he told me one year ago that they killed Higgins in retaliation for the Iranian Airbus disaster.

Brokaw interviews terrorism expert Brian Jenkins of the Rand Corp.:

Brokaw: When the Israelis grabbed Obied shouldn't we have expected some kind of retaliation from Hezbollah?

Jenkins: You have to take into the calculations that there would be some type of terrorist response whether this would be directed at the Israelis or the Americans, or whether this would take the form of a terrorist attack or action against the hostages is hard to say. But they had to predict something.

Brokaw: Looking at that videotape there are scenes in which there is blindfold on the victim and then the blindfold is not there. He appears to be in freshly dressed laundry, how much credibility should we put in this videotape?

Jenkins: I haven't seen the tape in detail so I'm not able to comment on whether in fact it is Higgins. But certainly the event bears all the characteristics of terrorism as unfortunately we've come to know it. There's a certain amount choreography in this, a deliberate graphic display. In this particular case I think we have to accept the claim as credible until we have some reason for doubting it. The real question that we may not be able to decide -- I'm not sure what difference it makes in terms of policy -- is whether if in fact that is Higgins whether he was killed today or whether he had been killed previously. But as I say, I don't think that makes much difference in terms of a policy.

Brokaw: Is there any meaningful retaliation that can be executed by the United States?

Jenkins: No I don't think we have any options right now. Sometimes doing nothing until the situation changes or until there are more advantageous circumstances is the best course of action.

Brokaw reports that U.N. Secretary-General Perez de Cuellar expressed outrage and revulsion at reports of Higgins' death.

(NBC-Lead)

CBS's Dan Rather: President Bush cut off a political-domestic tour today and rushed back to the White House to deal with the first Middle East crisis of his presidency. This morning a pro-Iranian group in Beirut said it had executed an American hostage, Marine Col. Higgins. It released a crude and grisly videotape which it said showed the hanging. But the videotape left many questions unanswered. A few hours later another pro-Iranian group set a new deadline for another American hostage. A group calling itself the Revolutionary Justice Organization said it would carry out a death sentence tomorrow against American Joseph Cicippio unless Israel releases a kidnapped Moslem leader. The group sent a photo of the hostage.

CBS's Bob Simon reports the Higgins videotape was accompanied by a statement saying that Col. Higgins had been killed to punish the U.S. and Israel for not releasing Sheikh Abdul Karim Obeid. Israeli officials were hoping today that it could be established that Higgins was murdered some time ago, thus severing any possibly connection between his death and the Israeli raid. CBS has learned that Defense Minister Rabin proposed the raid three weeks ago, that it was approved by the Israeli cabinet with one dissenting vote, and received the full support of the Israeli Army. The objective was to acquire bargaining chips to free two Israeli prisoners in Lebanon; American hostages did not enter the scheme at all. The Israelis did not consult Washington; they did not believe they had to because they did not see an American angle. Tonight, Israeli officialdom is in a state of utter embarrassment. Foreign Minister Arens is leading a defensive action designed to put the blame squarely on the pro-Iranian militants in Lebanon. Privately, Israeli officials admit the tactical victory they won last Friday has already yielded a strategic defeat. With more death threats from Beirut tonight, there's an atmosphere of deepening gloom here as Israelis become more and more concerned that this dreadful week may have just begun.

CBS's Lesley Stahl: ...CBS has been told by sources that there is no rescue operation on the table because "we don't know where the other hostages are." And there is no military strike on the table because "we can't blow up a whole city looking for just one guy." But the President is under incredible pressure to do something, not only because of Higgins but because the White House takes very seriously the threat to execute a second American.

(Bush, at podium at National Governors' meeting: "I know I speak for all here when I try to express to the American people the sense of outrage that we all feel about this kind of brutality, this uncalled-for terrorism.")

Faced with frustratingly few options, the Administration instead is focused on criticizing and pressuring Israel, whose raid into Lebanon may have triggered Higgins' execution.

(Secretary Baker: "Kidnapping and violence is not something that that the United States agrees with.")

(Sununu: "I can tell you that we did not know it was taking place.")

Sen. Dole, reflecting the thinking of some top officials in the Administration, went even further.

(Dole: "You have to continually apologize for Israeli actions and perhaps a little more responsibility on the part of the Israelis one of these days would be refreshing.")

-more-

(Rep. Schumer: "The kind of criticism that Israel is to blame, that Israel should not have done this, will give solace to one group, and that's Hezbollah.")

Flying home today, President Bush telephoned Col. Higgins' wife.

(Bush: "Wonderfully stoic individual who is going through sheer hell.")

The President may be going through his own hell. He raised expectations that he would take some kind of action when he cut his trip short today. He is facing the possibility of new executions, something new in this long hostage ordeal that has already wounded two American presidents.

Rather: Col. Higgins' wife, Robin, is a major in the Marine Corps and works as an information officer at the Pentagon.

CBS's David Martin reports on Mrs. Higgins' reaction and the Pentagon's analysis of the situation. Mrs. Higgins watched today's videotape, but her attorney read a statement on her behalf saying she still is not sure whether he is alive or dead.

(Mrs. Higgins' attorney, reading her statement: "I have seen the reports and have not reached any conclusion myself. One thing I have learned over the past 17 months is that the truth is hard to find and it remains so.")

U.S. intelligence believes Higgins was held for a time in the town of Jibchit and actually interrogated by Sheikh Obeid. U.S. intelligence subsequently received reports that Higgins had been moved to Beirut and even pinpointed his location in a building across the street from a graveyard. Pentagon officials discussed with then-President Reagan the possibility of attempting to rescue Higgins and even dispatched agents into Beirut in preparation for a possible mission. But eventually the mission was scrubbed; the intelligence was too uncertain to justify the risk. It's possible that Robin Higgins knows deep down that the man in today's videotape is her husband and just can't bring herself to admit it. Other people who knew Higgins and have seen today's videotape all agree it looks like him, but say they cannot be absolutely sure.

CBS's Bruce Morton reports on the plight of the families of hostages held in Lebanon. For all the families today was new pain in an old wound. Terry Anderson's sister hopes the kidnappers will accept the Israeli offer of a swap: All of ours for all of yours.

(Peggy Say, Anderson's sister: "My hope, my prayer, is that they respond in a positive way to the Israeli offer, and that the Israelis do not withdraw it.")

Rather interviews CBS correspondents Martin, Simon, Plante, Stahl:

Rather: What are the chances that Col. Higgins may still be alive, and if he's dead what are the chances he's been dead from some time?

Martin: As to when Higgins might have died it really still is a guessing game. Pentagon officials are hoping to get their hands on the original videotape and massage it electronically and perhaps that will tell them when the tape was made.

Simon: Israeli television has reported that a reliable Shiite source in Beirut reports that Col. Higgins has been dead for some time, that he died under torture when his captors tried to make him confess that he was an American spy. Clearly this version suits the Israelis more than the story that Higgins was killed today. The Israelis are afraid that the truth will never be known.

Rather: Did the Israeli raid backfire and did it set off a new round of terror?

Simon: Israeli exuberance last Friday when they executed what they perceived as another brilliant raid worthy of Entebbe changed to desperation in one instant today. Israeli ministers, the same ones who approved the raid, are now confessing that they probably got into something to quickly without assessing all the risks.

Bill Plante, at the State Department: To say that the Administration is upset over this is to put it mildly furious would not be strong a word although not on the record. The U.S. Ambassador in Jerusalem went to the Israelis today with U.S. concerns that this will just lead to an escalating cycle of violence against the other hostages whether or not Col. Higgins was dead for some time. And in fact after he delivered that message the threat came out against Joseph Cicippio.

Rather: What are the chances that the Israelis will release the Sheikh?

Simon: They won't do it on their own, that would be knuckling under terrorism, that's their phrase. If Washington were to ask the Israelis to return the Sheikh, it's clear from talking to officials here tonight that such a request would receive very serious consideration.

Rather: What's the chance that more Americans will be killed?

Plante: The threat is being taken very seriously. Officials believe that it's entirely possible that the threat will be carried out especially since there seems to be no way to bring any pressure on the group holding the hostages particularly even by the larger powers such as Iran.

Rather: What can the United States do the end this crisis, what options are available to Washington?

Martin: There's no military option that's at least being seriously considered. There's an aircraft carrier in the Mediterranean that gets under way from Egypt tomorrow, there's a Marine amphibious ready group that's south of Crete. But absent some better information about where the hostages are, where the other eight Americans are -- not to mention all the other Western European hostages -- there just is not what looks like a good military option.

Stahl: The President is meeting with congressional bipartisan leaders. They are being briefed by CIA Director Webster to explain to them the limited options, no military options and he's hoping they'll come out and sort of remove some of the pressure on the President right now to retaliate.

Stahl continues: The only option right now is diplomatic and the President himself has to decide: does he allow the Israelis to hang tough and hold on to this Sheikh or does he do what President Reagan always said he wouldn't do and call on the Israelis to release this Sheikh to stop what is looking like a possible escalation of the terrorism and the killings.

Rather: What about those so-called moderates in Iran that we've been trying to accommodate all this time?

Stahl: What the the White House said today is that we have never understood how much influence the Iranians have over these groups, particularly the Hezbollah that the Sheikh belongs to. We know they have some, but we're unsure if they have complete control. The President did send a message to Iran over the weekend saying that the United States would look very unfavorable on any action against Col. Higgins, but it's unclear whether their holding the Iranians responsible at this point. (CBS-Lead)

FATHER JENCKO

Brokaw reports that former hostage Father Laurence Jencko held mass for Col. Higgins this afternoon in Los Angeles.

(Jencko: "The sadness for me is that we always have to use these violent scenes to bring the cause of the hostages to the minds of the American people.") (NBC-10)

DRUGS

ABC's Kathleen deLaski reports that a nationwide survey indicates that 25% fewer Americans used illegal drugs last year compared to 1985. Health officials said the survey of 9,000 households shows that community efforts to fight the drug war are finally paying off.

(Secretary Sullivan: "Attitudes are changing and this is testimony to years of hard work by parents, educators, health care providers, employers and religious leaders.")

The survey also shows that Americans are using fewer legal drugs. Alcohol and cigarette consumption continues to decline. But Drug Policy Director Bennett said we are not out of the woods yet.

(Secretary Bennett: "Drug crime is up, drug trafficking is up, drug deaths are up, drug emergencies in our hospitals are up all since 1985. And much of this can be explained in one word and that word is crack.")

Even though the study shows that the casual use of cocaine is down by one-third, the number of heavy users or addicts has risen by one-third from 647,000 to 862,000. Drug experts say this group continues to put a disproportionate strain on society. All levels of cocaine use in the black and Hispanic communities have remained steady or increased. This is more evidence that there are really two separate wars on drugs, one against casual abuse which officials say is winnable and another against cocaine addiction which drug officials and addicts admit they are losing. (ABC-2, NBC-2, CBS-2)

Tuesday, August 1, 1989 -- B-12

VON RAAB

Brokaw reports that William von Raab criticized some government colleagues involved in the war on drugs, denouncing what he called the political jockeying, backstabbing and malaise that has crept into the current effort. (NBC-3)

FELIX BLOCH

ABC's David Ensor reports that Bloch, in an interview with reporters, said "I'm hardly a free man. I really can't go out for a walk. I'd love to put it behind me." But he's not likely to be able to put it behind him. U.S. officials confirm French reports that it was the French Secret Service that videotaped Bloch in Paris handing a briefcase over to a known KGB agent. ABC's Pierre Salinger said that Bloch was not the original target. He was caught in a net they spread to investigate a Soviet spy ring operating at UNESCO and aimed at gathering sensitive Western technology secrets. Some FBI agents familiar with the Bloch case privately express frustration that the Justice Department has so far declined to indict him. A key question for Bloch and his attorneys, who he visited today, is whether French Intelligence will be willing to compromise their methods by releasing the videotape for use in an American court. (ABC-5)

PRIME RATE

Jennings reports that most of the nation's major banks fell into line and lowered their prime rate to 10.5%. (ABC-7, CBS-3)

OLIVER NORTH

Jennings reports that the GAO ruled that because he was convicted of a felony he is not entitled to his Marine pension. (ABC-4, NBC-6)

POLAND

NBC's Mike Boettcher reports from Poland that tomorrow that food coupons will be worthless when the government removes prices supports for basic items ranging from meat to milk and establishes a capitalist free-market system. In one day prices will jump as much as 200%-300%. (NBC-5, ABC-6)

-end of B-Section-

EDITORIALS/COLUMNISTS

FELIX BLOCH

Of Amateurs And Professionals: The Felix Bloch Affair -- "Unfortunately, in their various media testimonials, neither Miss von Damm nor Mr. Lauder have made a persuasive case for political appointments to sensitive diplomatic posts.... It seems evident that Mr. Bloch wielded unusual powers as deputy chief of mission in Vienna because our ambassadors paid so little serious attention to their duties. As this incident demonstrates, we may sometimes be better served by a trustworthy mediocrity than a devious professional. But it also seems fair to say that if senior diplomatic assignments -- especially missions of strategic significance -- are to be carried out by amateurs, such appointees had better be equal to the challenge. After all, there have been good political ambassadors, and there are bad Foreign Service officers. But there is only one national interest."

(Providence Journal, 7/28)

The Slapstick Spy Scandal -- "Suspected Soviet spy Felix Bloch has been tried, convicted and hanged by the neck until dead -- in the court of ink, film and videotape. With the entire American public looking on, he's been the object of a cockeyed manhunt in which the apparent object is to follow the man in question without arresting him.... What happened? The Bloch case blew wide open before it ripened adequately. Sources all over Washington say the FBI simply doesn't have the goods. That the case against Bloch consists of damning yet utterly circumstantial evidence.... Enough already. Once the Bloch affair has finally bungled to a halt, it's time for a full-dress inquiry into what in hell has happened to the U.S.' counterespionage capabilities. If the Felix Bloch case is evidence of how the FBI handles spies in the post-glasnost era, it's time for some heads to roll."

(New York Daily News, 7/27)

A Strange Spy Story -- "Bloch cannot walk his dog without a convoy of FBI cars, revving up and setting off in low-speed pursuit. By one account, at least seven FBI cars, each carrying a couple of agents, keep constant watch on Bloch. That is a considerable allocation of resources, at considerable expense. To what end? The effort appears to have been mounted in hope of (1) putting Bloch under enough psychological pressure so that he will break down and tell all, or (2) spooking him into trying to flee the country, an act that could be taken as a presumptive sign that he has something illegal to hide and lead to his arrest. The apparent reasons for these extraordinary measures is that the government has little hard evidence against Bloch.... So the deliberately high-profile game of surveillance goes on, trusting that somehow a break will occur. Officially, the surveillance is justified as part of a continuing security investigation. The troubling question is at what point does a legitimate investigation cross the line to become harassment, and under what conditions are the civil rights of a suspect and his family -- among them the right to privacy -- improperly violated by the state? These aren't easy questions to answer. That they need to be asked is a further sign that this has been one of the odder national security investigations in recent memory and, given the manner of its unfolding, one of the more disturbing."

(Los Angeles Times, 7/27)

Monday, August 6, 1989 -- C-2

Year II Of The Spy -- "The investigation of senior foreign service diplomat Felix Bloch for possible espionage seems to have become a kind of Easter parade. First, Mr. Bloch's neighbors knew all about the FBI's surveillance of him, and after the case became public last week, FBI agents dogging Mr. Bloch's trail found that they themselves were being dogged by Soviet Embassy personnel. By blabbing about the case prematurely, ABC News and The Washington Post may have irreparably harmed the whole investigation.... Whatever Mr. Bloch may or may not have done and whatever the United States and the world may or may not gain from Mikhail Gorbachev's glasnost, the Bush Administration ought to take the Senate committee's report [on espionage] more seriously than some people in the national security establishment seem to take their professional responsibilities." (Washington Times, 7/26)

The Spooky Bloch 'Dangle' -- "Bloch's tragicomedy began when he was videotaped handing a briefcase to a Soviet official in Paris. The FBI does not believe the satchel was stuffed with old crossword puzzles or travel brochures. Later a Soviet tipster was eavesdropped phoning Bloch: 'A bad virus is going around, and we think you're infected.' That's when The Dangle began, Katzenjammer Kid car chases of Bloch. Maybe even George Bush was part of The Dangle. Presidents are usually mum on spy cases. But ex-CIA director Bush pointedly boasted he'd known about the Bloch affair 'for some time.' Bush said he was 'aggrieved.' Wait a minute. If Bush knew about Bloch's shadowy antics, and the FBI had that videotape, why did the U.S. allow the suspected spook free run of the State Department until last week?... You can't blame the FBI for putting everybody on Bloch's tail -- the president, TV networks, the KGB, tire-screaming carloads of reporters. The follow-that-spook bedlam makes motorboat chases in Miami Vice look discreet. Yep, The Dangle makes sense. Lay on the heat. One longshot question: What if this guy's innocent?" (Sandy Grady, Baltimore Sun, 6/27)

-End of News Summary-

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03a. Memo	From Brent Scowcroft Re: Meeting on Hostage Situation (1 pp.)	08/01/89	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed: 7/7/2009	OA/ID Number: 90518-008
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

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

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03b. Agenda	Meeting on Hostage Situation (1 pp.)	08/01/89	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed: 7/7/2009	OA/ID Number: 90518-008
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

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

<ORIG> REUTER
<TOR> 890801133129

<TEXT>

RR YDB

011732 MEA,CRI :AM-HOSTAGE-LEBANON 2NDLD URGENT

KIDNAPPERS DELAY KILLING OF AMERICAN HOSTAGE

BEIRUT, AUG 1, REUTER - THE LEBANESE KIDNAPPERS OF U.S.
HOSTAGE JOSEPH CICIPPIO SAID ON TUESDAY THEY HAD DELAYED KILLING
HIM FOR 48 HOURS IN RESPONSE TO "FRIENDLY" APPEALS.

"IN RESPONSE TO FRIENDLY APPEALS AND SINCERE CALLS AND
BECAUSE OF SOME SPECIAL REASONS AND THE PLEA BY CICIPPIO'S
WIFE, THE REVOLUTIONARY JUSTICE ORGANISATION DECLARES IT HAS
POSTPONED THE EXECUTION DEADLINE FOR 48 HOURS," THE PRO-IRANIAN
GROUP SAID IN A STATEMENT TO THE LOCAL NEWSPAPER AN-NAHAR.

MORE SN ZH FER

NNNN

Photocopy from George Bush Presidential Library

Bush Library Photocopy
George Bush Handwriting

Daily

Presidential Phone Calls



DATE: 8-1-89 TIME: 9²⁰
~~incoming/outgoing~~

WITH: Eliz Hotz

SUBJECT: 402-397-7578
Mother to killed son Dan.

Rep. Peter Hoagland gave letter
suggesting call

Feel sorry for parents of boy
that kill.

was Catholic -
"employability program"

FOLLOW UP: teaching kids self-esteem
1400 at Dan's Walter
support - assembling -

1. for long Dem - voted
for you

very pleasant - mid west
charm.

Presidential Phone Calls



DATE:

8-1-89

TIME:

2:32

incoming/outgoing

WITH:

Bette Graham

SUBJECT:

1) Billy just getting back

2) He'll call me re: Marine

FOLLOW UP:

Bush Library Photocopy
George Bush Handwriting

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Notes	Handwritten notes of Presidential Phone call with James A. Baker, III Re: Hostages (1 pp.)	08/01/89	(b)(1)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed:	7/7/2009	OA/ID Number:	90518-008
FOIA/SYS Case #:	2009-0166-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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

THE WHITE HOUSE
WASHINGTON
August 1, 1989

MR. PRESIDENT:

The attached statement is for your approval.

It will be released today to coincide with a US announcement in Brussels at the meeting hosted by the EC Commission on the subject.

All agencies and the NSC have cleared the statement.


Jim Cicconi

APPROVE


_____ 

DISAPPROVE

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

STATEMENT BY THE PRESIDENT

I am pleased to announce today that the United States will provide additional support for the Polish people and the democratization process. We are prepared to provide Poland with up to \$50 million in food aid in fiscal year 1990. It will include, but go far beyond, the 8000 metric tons of surplus commodities to be provided in FY 90 in accordance with the American Aid to Poland Act.

We intend to provide to Poland supplies of sorghum, corn and butter, subject to the availability of those commodities. We anticipate that all this aid will be on a grant basis. The commodities would be sold in Poland, with the proceeds being used to fund agricultural development activities there.

Last month in Paris at the Economic Summit, and at an August 1 meeting in Brussels of 24 concerned countries chaired by the EC Commission, the industrial democracies expressed concern over Poland's urgent need for food aid. Food shortages are a heavy burden on the people of Poland and could undermine the historic political and economic reforms Poland is undertaking.

The U.S. food aid program -- the commodities themselves and the projects funded through their sale -- should be of real benefit to the Polish people. It will assist in alleviating the impact of market price reforms and support continued efforts toward economic and political liberalization.

57-84

FOR DISCUSSION 8/1/89

50L
compromise
~~the~~

C.B.

8-1

Tuesday, 8/1/89

- Get letter reaffirming Senate 41 vs. waiver of GRH point of order.
- Present to Riegle. Urge him to reconvene sub-conference on financing for discussion of possible compromise.

Mid-week

- If sub-conference is re-convened, go for compromise:
 - o 15 B on-budget in 89 (requires waivers, but does not require GRH amendment);
 - o 25 B off-budget in '90;
 - o 10 B off-budget in '91; and
 - o optional, if needed: 20 B on-budget in '92
- If sub-conference is not reconvened, try to keep House from hit-and-run:
 - o use preemptive PR;
 - o use Senate delay on debt ceiling;
 - o other

Late-week

- House probably will act on Thursday or Friday. If compromise, fine. But if no compromise:
- Play to win Senate point-of-order fight -- force House action by:
 - o keeping House around; and
 - o either sending over Senate bill, or re-starting the process with a view to compromise as above.

Press OK
OK

Alternative end plays

- If satisfactory compromise is negotiated, fine.
- If Senate holds, but House has skipped town, decide whether to call House back. [Recommendation: yes, call 'em back/keep 'em in -- potential compromise is not viable if not struck soon; it cannot wait 'til September.]

- If after initial procedural win Senate folds, decide sign-or-veto.
- If sign, blame Congress for destroying G-R-H -- and come on strong with demands for enforceable budget process reform.
- If veto, decide whether to call Congress back or wait 'til September.
- If wait 'til September, prepare for chicken game rel. sequester.

United States Senate

OFFICE OF THE REPUBLICAN LEADER
WASHINGTON, DC 20510

G.B.
8-1

July 28, 1989

Dear Colleague:

In the coming months, the Congress and the Administration will be working together on a series of important budgetary matters. Next week, the Senate will be voting to raise the statutory limit on the national debt, and, in the fall, we will be working with the Administration toward a bipartisan agreement on the fiscal year 1991 budget.

Before we take up these issues, I would like to call to your attention financial data which, in my view, hold significant implications for our future budgetary decisions. The attached graphs chart the relationship between the dollar, the Deutsche Mark, the Yen, and interest rates during the period from June 1, 1987 to June 30, 1988. The critical period, September through November, 1987, is highlighted by a box. It was during this period that three significant events occurred: first, in September, Congress eased and extended the Gramm-Rudman-Hollings deficit reduction targets; second, in October, the stock market declined precipitously; and finally, in November, Congress and the Administration reached a bipartisan budget summit agreement.

As these graphs demonstrate, the relationship between the dollar, the foreign currencies and interest rates was extremely volatile during this period. Unstable and erratic changes of this nature are not beneficial to the United States economy or to our international financial standing. I, for one, do not want to see this situation repeated.

The relationships between the financial markets and world events are complex and uncertain. So many variables come into play that no one can say with absolute certainty that a given event was solely responsible for movement in the market. However, I do believe that the change in the Gramm-Rudman-Hollings deficit targets was a significant contributing factor in the market fluctuations that occurred in the fall of 1987.

The empirical evidence suggests the fiscal discipline provided under the Gramm-Rudman-Hollings Act has a significant value for our trading partners and those participating in the financial markets. It is important to keep this example firmly in mind as we approach the important budgetary issues that we must address in the coming months.

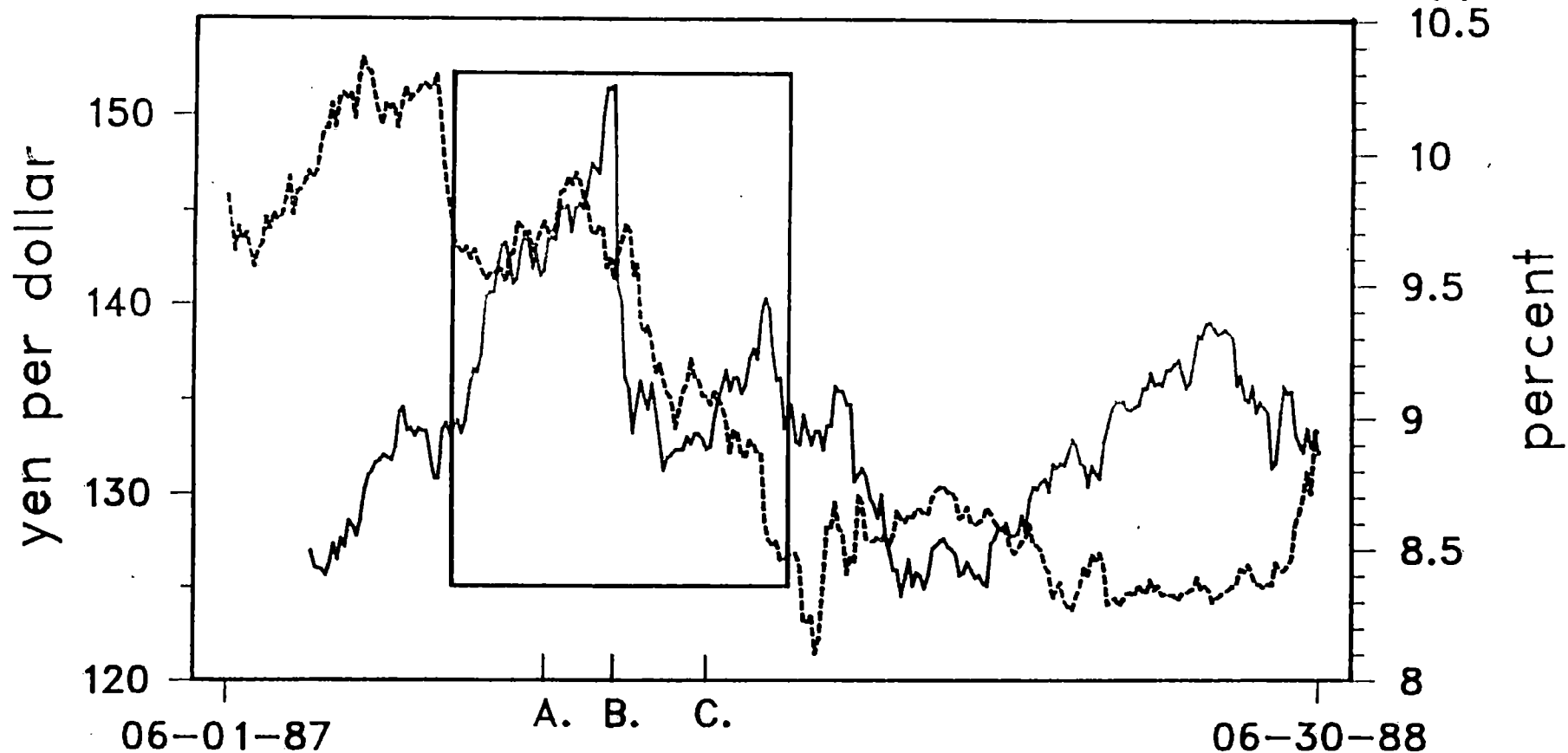
Sincerely,



BOB DOLE

Attachment

Dollar vs. Yen & Interest Rate (30-yr. Treasury)



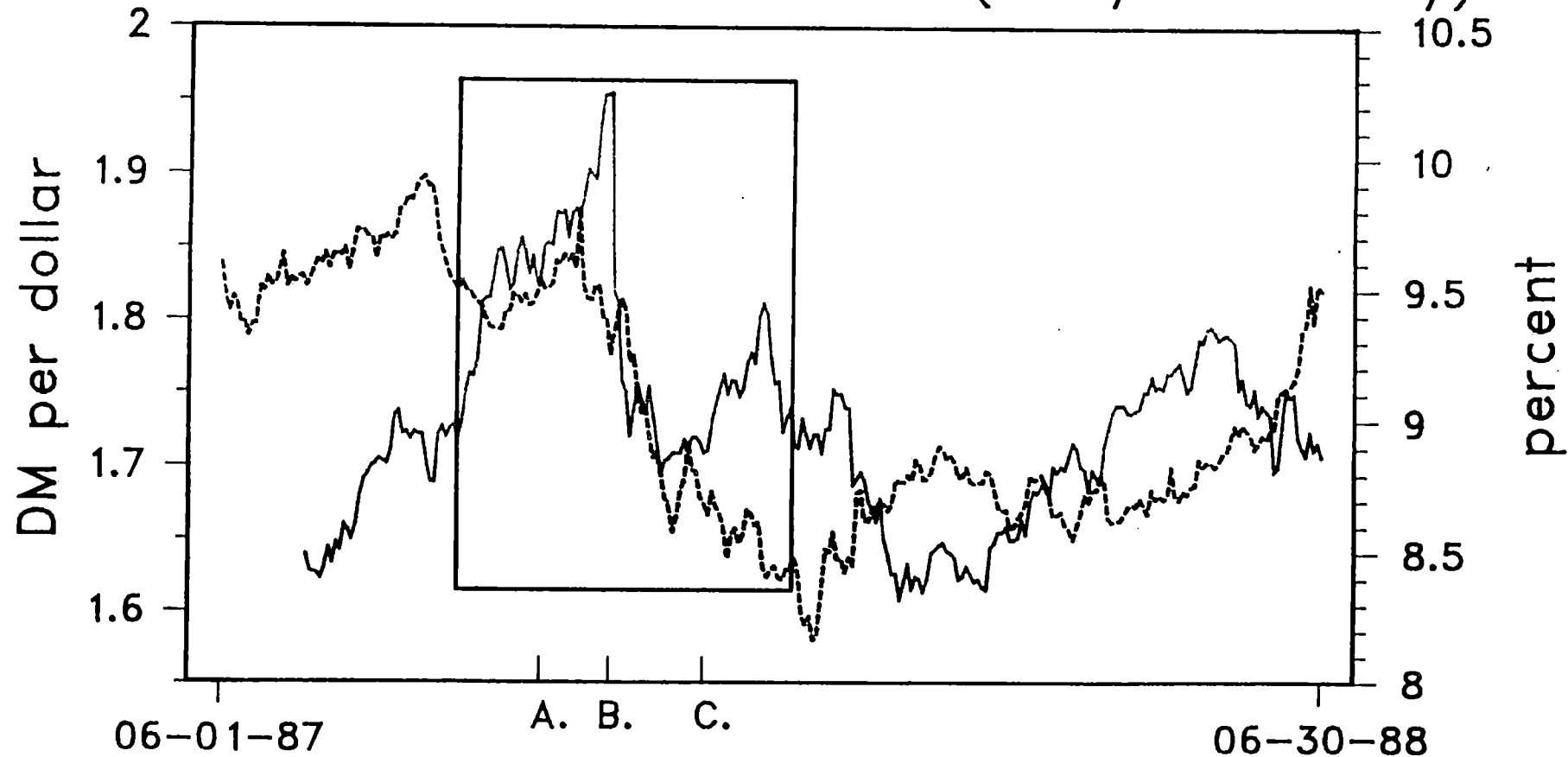
Y/\$ Interest Rate
(30-yr. Treasury)

- A. Gramm-Rudman Target Change (9-23-87)*
- B. Stock Market Decline (10-19-87)
- C. Budget Summit Agreement (11-20-87)

7/20/89

* Yearly deficit limits eased and zero deficit target moved to 1993 from 1991.

Dollar vs. DM & Interest Rate (30-yr. Treasury)



DM/\$ Interest Rate
(30-yr. Treasury)

- A. Gramm-Rudman Target Change (9-23-87)*
- B. Stock Market Decline (10-19-87)
- C. Budget Summit Agreement (11-20-87)

7/20/89

* Yearly deficit limits eased and zero deficit target moved to 1993 from 1991.

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

065185

PRO15

COPY
from ORM

Mr. Joseph Canzeri
The Canzeri Company
3158 O Street, NW
Washington, D.C. 20007



THE PRESIDENT

August 1, 1989

Dear Joe:

I, too, deeply regret what happened. The book has caused a lot of hurt. Nevertheless, I do appreciate your letter of July 26th.

Sincerely,

A. Bush

delivered

bcc: John Sununu

by
Cicconi

(Sununu has seen)

P. [Signature]

p.

890801

COPY OF INCOMING AND
OUTGOING PROVIDED TO
BRIDGET MONTAGNE FOR
DELIVERY TO THE VICE-PRESIDENT
- 890802

July 26, 1989

The President
The White House
Washington, D.C. 20500

My dear Mr. President,

Upon my return from travelling in Europe, I was distressed to learn of recent press reports concerning a conversation I had with journalist Jack Germond (a large part of which, I had believed was "off the record,") regarding last fall's Vice Presidential campaign. Unfortunately, Mr. President, I broke my own long-standing rule: "If you don't want it repeated, don't say it."

I want to offer my sincere apology for the embarrassment I have caused you and others in the Administration. My comments

Page Two

to Mr. Germond were spoken without realizing their possible implication to you or to public support of your Administration. For this, I am truly sorry.

While I very much regret some of my comments became public, there is another side to this story, and it probably affected my discussion with Mr. Germond. I don't believe at this time, however, it would serve any purpose to further explain what might have prompted me to be so candid.

Mr. President, I have been a loyal supporter of the Republican Party and Republican presidents and candidates for more than a quarter century. I was honored to work on the campaign and inaugural. I have tremendous respect for the Office of the Vice President and for those who serve in that office.

Page Three

My remarks in no way reflect my admiration and support for you, the Vice President or the Administration.

I am sending a letter to Vice President Quayle to express my regret to him and his family over this matter. I can surely understand the disappointment you and the Vice President must feel that I and others in the Party would be so critical of his campaign effort last fall.

I hope you and Barbara will accept my profound apology for my part in this incident.

Sincerely,

Jpe

CD

Aug. 89

074072

FG 006-03



Edward J. Farnham

COPY
from ORM

John —

(Governor Sununu)

Why do we have
a helicopter from
Pease to Biddeford

That saves no
time at all and
costs more than
driving in a bus
Pease-to-Kpoint. Why
on wing?? etc

THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Mr. Ramsey:

Thank you for the Eddie Bauer tri-block jacket. Since "all the republicans are wearing them," I definitely will be using and enjoying mine. You were very kind to remember me, and I am grateful.

With my best wishes to you and your staff,

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Bush". The signature is fluid and cursive, with the first name "G." and the last name "Bush" clearly distinguishable.

Mr. William E. Ramsey
Eddie Bauer
Tysons Corner Center
1961 Chain Bridge Road
McLean, Virginia 22102

Cubblence

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

b Sununu
Fitzwater
Cicconi
Presock

The Honorable Peter Hoagland
U.S. House of Representatives
Washington, D.C. 20515



THE PRESIDENT

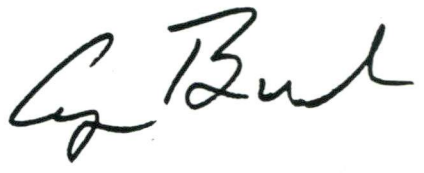
Aug 1, 1989
9 30 PM

Dear Peter,

I had a very nice
talk with Mrs. Hotz after the
barbeque tonight. Thank
you for calling this to my attention
She must be a terrific person -
She talked with moving

conviction; obviously
she has a great and
loving family.

Her faith, even in the
face of this tragedy, is bound
to sustain her -

Sincerely, 



THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Bishop Hodapp,

Many thanks for coming to the White House and for the special gift.

I have now read the Asbury and Washington letters and am now more convinced that no one can be President of the United States without belief in God and without prayer.

Again, thank you for coming to visit. My warmest best wishes to you.

Sincerely,

The Reverend Leroy C. Hodapp
President-Designate
Council of Bishops
The United Methodist Church
900 South Arlington Avenue
Harrisburg, Pennsylvania 17109-5097

THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Rick:

Thanks for your great letter about Helmut Kohl. I do feel close to him and, yes, I try to call him from time to time. I believe that personal relationships between Heads of State can be very useful. I am no expert on the German situation but I have learned a lot about Germany from Helmut and from President Weizsaecker whom I also like.

Our trip to the Brussels Summit helped me establish U.S. leadership. Our proposal was well received and is still well supported. I am pleased the Soviets are saying constructive things about it. A recent visit with Akhromeyev makes me feel we made real progress on conventional arms.

Thanks again for that good letter. My warmest regards to you.

Sincerely,



Dr. Richard M. Hunt
University Marshal
Harvard University
Wadsworth House
Cambridge, Massachusetts 02138

bcc: INCOMING AND OUTGOING

Secretary Baker
Governor Sununu
General Scowcroft
FYI--

August 1, 1989

Dear Barbara:

Barbara and I have learned about your surgery and wanted you to know that we are thinking of you.

These are difficult days for you, but we hope that you will find them eased somewhat by thoughts of how much your family and friends care about you and wish you well. We will be keeping you in our prayers.

Take care and God bless you.

Sincerely,

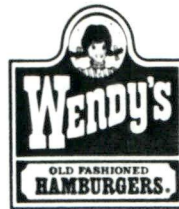
GEORGE BUSH

Mrs. Ken Cordier
635 Maryland Avenue, N.E.
Washington, D.C. 20002

GB/JB/JDeC/SG/ckb-8PF3
P-04(rev.)

cc: Jan Burmeister

890803



J. Burnister

GERALD F. HAMRA

Chairman of the Board
Chief Executive Officer

August 1, 1989

The Honorable
George Bush
President of the United States
The White House
Washington, D. C. 20500

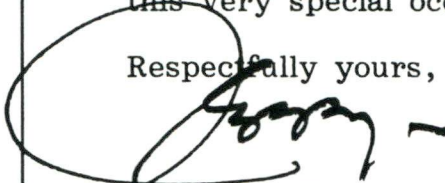
Dear Mr. President:

I just want to let you know what a thrill it was for my son, Ryan, and myself to have the opportunity to meet you again last Friday. Although it was the third time for me, I'm sure it was no less exciting than the first, and an experience we will never forget. I will tell our mutual friend, R. David Thomas, that you inquired about him.

I certainly look forward to the possibility of seeing you again on your next trip to Little Rock.

Thank you again, for taking the time to visit with us on this very special occasion.

Respectfully yours,



Gerald F. Hamra
Chairman of the Board
& Chief Executive Officer

GFH/efc

02

069929

C FG 006-01

O

P

289

Y

THE WHITE HOUSE
WASHINGTON

from CRM

Dear Steve.

I was moved by
your letter; and I appreciated
very much the conversation we
had today. Two points:

One, you have done
an outstanding job and I
am very grateful - very
grateful indeed.

Second, you are 100%
right to put family first.
Not only do I understand, I
applaud you for having

bcc: INCOMING AND OUTGOING The Honorable Stephen M. Studdert

The First Lady - *Ann*
Governor Sununu

THE WHITE HOUSE

WASHINGTON

- 2 -

your priorities right

Good luck in
what I know will
be an exciting future

Sincerely,

Ly Buhl

THE WHITE HOUSE

WASHINGTON

August 1, 1989

Dear Mr. President:

It is with very mixed feelings that I hereby tender my resignation as Assistant to the President for Special Activities and Initiatives, effective mid-August or as soon thereafter as possible, to return to my home state of Utah to spend more time with my wife and family.

It has been a distinct honor and pleasure to have served you since the beginning of your presidency. Your visionary leadership of our nation and your historic impact on democracy and understanding throughout the world has made my service particularly gratifying.

During the long and tiring months of the 1988 presidential campaign as I traveled with you, I became more keenly aware each day of your deep love of America and the democratic principles that continue to make her great. Your personal dedication to those principles as a loyal Vice President and now as President has been felt by tens of millions throughout the world who yearn for freedom and liberty.

From the time we traveled together to China in 1980 to your triumphant return there in 1989 as President of the United States, I have had immense personal respect for your insightful understanding of world issues, and your dedication to peace for the people of all nations. As we have traveled we have seen in the faces of those behind the Iron Curtain the dreams and aspirations of people who look to you and our great nation with everlasting hope.

My years of service in Washington have been richly rewarding, but nothing has been more satisfying than to serve you and Mrs. Bush. You have both shown your quiet, consistent devotion to your family and your abiding faith in God, and because of your steady and unfaltering commitment to these values and to each other America is becoming a kinder and gentler nation. Your example of faith and family is an inspiration to all Americans.

I have been greatly honored to have accompanied you to nearly all fifty states and many foreign nations. It is with deepest respect, gratitude and warm personal affection for you and Mrs. Bush that I now depart your Administration and return home to there enjoy with my family the beauties of the West.

May God bless you and Mrs. Bush always.

Respectfully submitted,

A handwritten signature in dark ink, appearing to be 'S. Studdert', with a long horizontal stroke extending to the right.

Stephen M. Studdert
Assistant to the President for
Special Activities and Initiatives

The President
The White House

02

064867

CCO 070
COPY
from ORM

THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Mr. President:

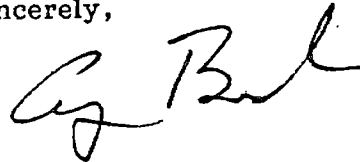
It was a pleasure to welcome you to the White House.

I valued our exchange of views on the prospects for continued economic growth in Indonesia and on your achievements regarding population growth, which have now been recognized by the United Nations. In addition, I found your comments on Cambodia to be very useful. I look forward to working with you in meeting our mutual goals.

Barbara and I thank you and Mrs. Soeharto for the thoughtful remembrances you brought for us. The painting, the plaque, and the tea service are wonderful examples of the exquisite workmanship of Indonesian artisans. We truly appreciate the goodwill behind your gifts.

With our warm best wishes,

Sincerely,



His Excellency
Soeharto
President of the Republic
of Indonesia
Jakarta

890803



THE PRESIDENT

064881
C07290
Aug 1, 1989
FROM ORM Y

Dear Mr. Nkomo -

My wife passed along
your note - the one you
gave him at Malawi -

Thank you for that.

I recall with fondness

our meeting several
years ago - Warm Regards.

Sincerely,
Cyril Bunde

His Excellency
Joshua Nkomo
Senior Minister of Local Government,
Rural & Urban Development in the
President's Office
Republic of Zimbabwe
Harare.

890804

VIA DIPLOMATIC POUCH

064872
50 002

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Jack Valenti
1600 I Street, NW
Washington, D.C. 20006



THE PRESIDENT

Dear Jack -

I should've written
you to say thanks for Sally & Harry;
but, instead, in came your note.

Thanks, though. No the
movie didn't "skip the edge". That
dinner scene got right to the

890801

heart of the matter
All But

Any

July 28 1989

JACK VALENTI

Dear Mr President

What an affectionate
embrace you offered Mary
Margaret and me last
night. We were overjoyed to
be invited. You were, as usual,
splendidly kind to me, for
which I am always grateful.
(I know HARRY and STEVE didn't
skirt the 'edge' too closely).

Warmly Jack



THE PRESIDENT

"personal"

August 1, 1989

Dear Merle,

"Me and Crippled Soldiers"
said a lot.

I read that a comrade in
the U.N. Peacekeeping force told Col.
Higgins that if he removed the

stars and stripes patch the
radicals would not bother him.
He was a great marine and, of
course, he said "No" -

He's dead now. He sure
gave a damn. And he loved the flag.

I am going to keep on
about our flag. Your song was
great. Good luck, Cap Burl

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Merle Haggard
9472 Cedro Lane
Palo Cedro, California 96073

PERSONAL

5:00 P.M. NEWS UPDATE

HIGGINS/PRESIDENT (Laurence McQuillan, Reuter) -- President Bush met with senior advisers for the second time in less than 24 hours Tuesday on the apparent killing of hostage Marine Lt. Col. Higgins in Lebanon, but the White House announced no decisions on possible retaliation.... Bush met at the White House with top advisers including Secretary of State Baker, Defense Secretary Cheney, National Security Adviser Scowcroft and Adm. Crowe.... U.S. officials have attempted to play down speculation that military retaliation might be under active consideration -- despite some vengeance calls from members of Congress.

U.S. HOSTAGES/LEBANON (AP) -- The U.S. pressed diplomatic efforts Tuesday for the release of all American hostages in Lebanon and hoped that Soviet Foreign Minister Shevardnadze could make headway in that direction on a mission to Iran. The immediate concern, U.S. and other diplomatic sources said, was Joseph Cicippio.... Having no diplomatic ties to Iran...the U.S. appealed to Saudi Arabia and other Arab governments as well as the Soviet Union for help. In Israel, meanwhile, Ambassador William Brown held a fast-paced series of meetings with Prime Minister Shamir, Defense Minister Rabin and Foreign Minister Arens. "One of the aims is to find out what Israel plans to do," said a U.S. official. Speaking on condition of anonymity, he denied the U.S. was exerting pressure on Israel.... Brown was under instruction from Washington to find out from the Israeli government what further steps it planned to take in the dangerous hostage situation.

HIGGINS VIDEO (UPI) -- U.S. intelligence officials analyzed the Beirut videotape Tuesday to determine if the hanged man in the picture was American hostage William Higgins, but a Pentagon spokesman said the review was inconclusive.... "I don't believe there is any conclusive result from that (analysis) yet and probably won't be until, at the earliest, later today. And even when the results are in, I don't know how conclusive they will be," Pentagon spokesman Pete Williams said.

BLOCH (AP) -- Felix Bloch...has not confessed to taking money from the Soviets and has told the FBI he knew his presumed KGB contact merely as a stamp collector, informed sources said Tuesday. The sources, commenting only on condition of anonymity, said suspicions about Bloch first arose when the U.S. intercepted a telephone call on May 14 to Bloch, in Washington, from a man named Pierre, believed to be a Soviet intelligence agent in Paris. Bloch and Pierre set up a meeting in Paris, and U.S. authorities arranged for surveillance by the French intelligence service, said the sources. The French filmed Bloch and the suspected KGB agent exchanging briefcases a few days later at a Paris restaurant, the sources said.

NATIONAL DRUG STRATEGY (AP) -- A national drug strategy presented to Cabinet officers focuses on law enforcement and stresses a need to rid inner cities of illegal drugs, according to administration officials who have seen the document. "The predominant theme is inner city," one administration source, who spoke on condition of anonymity, said Tuesday. "A paramount target of law-enforcement activity, especially at the local level, must be the disruption of those street markets for drugs in which retail demand and supply finally meet in a combustible mix," the report said, according to a source.

###

RICHARD NIXON

577 CHESTNUT RIDGE ROAD
WOODCLIFF LAKE, NEW JERSEY

8-1-'89

Dear George -

Congratulations on keeping your
cool on the Higgins tragedy.

Never forget that Reagan's
Iran Contra problems were
caused by his becoming too
obsessed with the hostage
problem.

We are all appalled
by what happened.

But American foreign policy
must never become
hostage to hostages -

Warm regards

Dick -

Daily

Document Originally
Attached to
Following Page

11:30 A.M. NEWS UPDATE

LUCAS REJECTED (UPI) -- The Senate Judiciary Committee rejected William Lucas for the government's top civil rights post Tuesday and voted not to send his name to the full Senate for reconsideration, dealing a blow to President Bush. On twin votes of 7-7, with a tie amounting to rejection, the committee first spurned the nomination and then killed a motion to bring it to the floor. The vote was split largely along party lines with Sen. DeConcini the only member of that majority siding with the Republican minority.

HIGGINS (Christopher Connell, AP) -- President Bush Tuesday weighed U.S. options for responding to the reported hanging of Marine Lt. Col. William Higgins, and military action is "in the realm of the possible," an administration source said. The official emphasized, however, that Bush had made no decision yet on a course of action.... The U.S. official, who spoke on the condition he not be identified, said "nothing has been ruled out" in response to the reported execution of Higgins.... "No one is tilted in that direction [towards military action]. It's on the menu. No one's ordered it...we're not leaning necessarily toward anything," said the official. "People are discussing the options. We are not at the specific choosing stage." The source said there was still no final confirmation that Higgins was the person seen hanging in the videotape released by the kidnappers.

(Helen Thomas, UPI) -- President Bush, weighing responses to his biggest crisis since taking office, messaged countries throughout the Middle East to bolster his call for release of all hostages in the region, officials said Tuesday. In the President's consideration of ways to deal with the reported hanging of one American hostage and the threatened execution of another, White House and Pentagon sources said he had ruled out military retaliation on grounds that it would be risky and would endanger the lives of remaining U.S. captives. But aides emphasized other courses of action were being discussed as senior administration leaders huddled in the West Wing of the White House, where a symbolic yellow ribbon was tied to a door. Said one official who requested anonymity: "We're not able to divulge all that is being said and done." Bush "sent a number of messages in the last 24 hours to countries in the region" via diplomatic channels, according to a spokesman.

(George Gedda, AP) -- President Bush, pondering ways to retaliate for the reported hanging of Lt. Col. Higgins...faces the frustration his predecessors experienced in deciding how to respond to international terrorists, experts say. One administration source said today that a military response was "in the realm of the possible," but that Bush had not decided on a course of action among the options before him. "No one is tilted in that direction," the source, who declined to be identified, said of some sort of armed intervention. "It's on the menu. No one's ordered it.... We're not leaning necessarily toward anything. People are discussing the options. We are not at the specific choosing stage."

(Laurence McQuillan, Reuter) -- President Bush worked Tuesday on crafting a response to the apparent execution of an American hostage in Lebanon that would vent U.S. anger without dooming the remaining captives in the region. White House officials were reluctant to discuss the situation but acknowledged that intense diplomatic efforts have been mounted to resolve the crisis. U.S. envoys have been in contact with a broad range of foreign powers, including Israel, the Soviet Union, Syria and others in an attempt to defuse "a timebomb," one administration official said.

In Israel, Foreign Minister Arens said in a broadcast interview Tuesday that he was not concerned with Bush's public call for the release of all hostages, presumably including [Sheikh] Obeid. "We don't have to speak with the U.S. administration in hints," Arens told Israel Radio. "We are in close contact with them and so we don't have to try to guess what is the meaning of what they say." Asked if he was worried about Bush's announcement, Arens said: "I am not worried. As you know, we already announced we are ready for a deal to swap all the captives and hostages."

2ND WAITE THREAT (Beirut/UPI) -- A telephone caller claiming to represent the captors of Church of England envoy Terry Waite threatened Tuesday to kill Waite and warned of terrorist attacks on U.S. and Israeli interests if Israel failed to free a Moslem clergyman. The call [was] the second threat against Waite in less than 24 hours.... "We would like to remind (the concerned authorities) that we will execute the British hostage Terry Waite in case Sheikh Abdul Karim Obeid and his two companions were not released before 12 o'clock tonight (5 p.m. EDT)," the caller told the west Beirut-based Voice of the Nation radio station.... The man, who said he was talking on behalf of the Organization of the Oppressed on Earth, warned, "We would like to tell America and Israel that we will strike at their interests in all places in the world if the sheikh is not freed tonight."

ISRAEL/U.S./SHIITES (Jerusalem/UPI) -- Israel Tuesday urged Washington not to let the Lebanese hostage crisis drive a wedge between the two allies but vowed to resist threats to force it to free a radical Moslem clergyman.... Israeli officials blamed Moslem extremists for the escalation in the affair.... Prime Minister Shamir said Israel kidnapped Obeid and two aides to gain the freedom on Israeli and foreign captives in Lebanon. He appealed to the U.S. directly, saying Israel and its No. 1 ally shared a "common interest and common front" in securing the hostages' release.... "Israel has decided it will not respond to threats and will not surrender to all kinds of ultimatums and release the sheikh or anyone else under these kinds of circumstances," Foreign Ministry spokesman Alon Liel said. "However, our offer to exchange the prisoners we are holding in return for the hostages the Shiites are holding stands."

HIGGINS/U.S. PRESS (New York/Reuter) -- The American press reported the apparent murder of hostage William Higgins with fury Tuesday and debated angrily over who was to blame -- his Shiite Moslem killers or the Israelis who kidnapped a Lebanese Moslem leader. Nowhere was the fury more noticeable than in the tabloid newspapers of New York. "Bastards!" screamed the New York Post in a page-one headline over a photograph of [Higgins] hanging from a rope. "Outrage" declared the New York Daily News in a front-page headline over the same photograph.

-more-

CICIPPIO/WIFE (Beirut/Reuter) -- The wife of U.S. hostage Joseph Cicippio begged for his life Tuesday hours before the deadline for his death at the hands of kidnappers in Lebanon. "I plead with those holding my husband to review their conscience and stop from carrying out the (execution) verdict," Cicippio's Lebanese wife Elham Ghandour told a news conference in Christian East Beirut.... "Have mercy on the innocents, so God will have mercy on you," she added, quoting verses from the Koran.

ISRAEL/HOSTAGE CRISIS (Jerusalem/Reuter) -- Israel said Tuesday it was making secret efforts to free all hostages still held by pro-Iranian groups in Lebanon who have killed one American captive and are threatening to kill another. But the Jewish state said it would not give in to the threat against hostage Joseph Cicippio.... Defense Minister Rabin told an emergency committee meeting in parliament he believed hostages facing death threats in reprisal for the Obeid abduction had been killed before the current crisis, participants said. Prime Minister Shamir, asked if Israel was currently in contact with the Shiite Hizbollah group, said: "There are permanent contacts with various factors about the release of the hostages." He spoke after meeting U.S. Ambassador William Brown. Vice-Premier Shimon Peres suggested negotiations had begun, telling reporters: "I believe this matter at this moment must be handled through secret diplomacy."

ISRAELI PRESS/U.S. REACTION (Jerusalem/Reuter) -- An Israeli newspaper accused the U.S. Tuesday of "cringing and mumbling" in the face of terrorism. The press stood firmly behind the government, rejecting charges that Israel was to blame.... The mass-circulation Yedioth Ahronoth wrote that "It seems that the United States has suffered from Shi'ite terrorism more than any other country in the world, has received deadly blows from Hizbollah and has had the highest number of citizens kidnapped. Instead of standing courageously and openly beside Israel in its tough and unrelenting war against kidnappers and murderers, the United States is cringing and mumbling and creating the impression it would just as soon throw us onto the same heap as the West's worst enemies." Editorials in all the Hebrew-language daily newspapers called on the U.S...to join the Jewish state in taking a tough stand.

ARABS/HIGGINS (Nicosia/Reuter) -- Arabs are blaming Israel for the death of American hostage William Higgins, charging that it has put a noose around the necks of Western captives in Lebanon. "If Higgins has been hanged, then Israel certainly pulled the rope," the English-language Kuwait Times said Tuesday. It joined Arab governments and newspapers in condemning the killing announced by pro-Iranian kidnappers.... Most pointed the finger of blame at Israel rather than Higgins' killers.

SOVIETS/HIGGINS (Moscow/AP) -- The Soviet Union Tuesday denounced the reported hanging of Lt. Col. William Higgins in Lebanon as "inhuman," but also faulted Israel for kidnapping Shiite Moslem cleric Sheikh Obeid.... Foreign Ministry spokesman Vadim Perfiliev read out a brief statement at a hastily called news briefing saying, "We resolutely denounce this inhuman action." "The fact that the aggravation of the situation in Lebanon, caused specifically by the abduction of Shiite leader Sheikh Obeid by Israeli commandos, has led to an escalation of acts of violence and terror and evokes profound concern," the statement said.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06. Form	Request for Appointments for the President [redaction] (1 pp.)	08/01/89	(b)(3), (b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, August 1, 1989

Date Closed: 7/7/2009	OA/ID Number: 90518-008
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

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

REQUEST FOR APPOINTMENTS

To: Officer-in-charge
Appointments Center
Room 060, OEOB

Please admit the following appointments on 8/1, 19 89
for The President of _____
(NAME OF PERSON TO BE VISITED) (AGENCY)

The Vice President

STATE

Secretary James Baker
Deputy Secretary Lawrence Eagleburger

DOD

Secretary Richard Cheney

JUSTICE

Attorney General Richard Thornburgh

JCS

Admiral William Crowe

CIA

Director William Webster

(b)(3)

(b)(6)

WH

Governor John Sununu
Brent Scowcroft
Robert M. Gates

11 am
mtg

MEETING LOCATION

Building White House

Requested by Cathy Millison

Room No. Cabinet Room

Room No. SitRm Telephone 2224

Time of Meeting 11:00

Date of request 8/1/89

• Additions and/or changes made by telephone should be limited to five (5) names or less.

APPOINTMENTS CENTER: SIG/OEOB - 395-6046 or WHITE HOUSE - 456-6742

11:30 A.M. NEWS UPDATE

LUCAS REJECTED (UPI) -- The Senate Judiciary Committee rejected William Lucas for the government's top civil rights post Tuesday and voted not to send his name to the full Senate for reconsideration, dealing a blow to President Bush. On twin votes of 7-7, with a tie amounting to rejection, the committee first spurned the nomination and then killed a motion to bring it to the floor. The vote was split largely along party lines with Sen. DeConcini the only member of that majority siding with the Republican minority.

HIGGINS (Christopher Connell, AP) -- President Bush Tuesday weighed U.S. options for responding to the reported hanging of Marine Lt. Col. William Higgins, and military action is "in the realm of the possible," an administration source said. The official emphasized, however, that Bush had made no decision yet on a course of action.... The U.S. official, who spoke on the condition he not be identified, said "nothing has been ruled out" in response to the reported execution of Higgins.... "No one is tilted in that direction [towards military action]. It's on the menu. No one's ordered it...we're not leaning necessarily toward anything," said the official. "People are discussing the options. We are not at the specific choosing stage." The source said there was still no final confirmation that Higgins was the person seen hanging in the videotape released by the kidnappers.

(Helen Thomas, UPI) -- President Bush, weighing responses to his biggest crisis since taking office, messaged countries throughout the Middle East to bolster his call for release of all hostages in the region, officials said Tuesday. In the President's consideration of ways to deal with the reported hanging of one American hostage and the threatened execution of another, White House and Pentagon sources said he had ruled out military retaliation on grounds that it would be risky and would endanger the lives of remaining U.S. captives. But aides emphasized other courses of action were being discussed as senior administration leaders huddled in the West Wing of the White House, where a symbolic yellow ribbon was tied to a door. Said one official who requested anonymity: "We're not able to divulge all that is being said and done." Bush "sent a number of messages in the last 24 hours to countries in the region" via diplomatic channels, according to a spokesman.

(George Gedda, AP) -- President Bush, pondering ways to retaliate for the reported hanging of Lt. Col. Higgins...faces the frustration his predecessors experienced in deciding how to respond to international terrorists, experts say. One administration source said today that a military response was "in the realm of the possible," but that Bush had not decided on a course of action among the options before him. "No one is tilted in that direction," the source, who declined to be identified, said of some sort of armed intervention. "It's on the menu. No one's ordered it.... We're not leaning necessarily toward anything. People are discussing the options. We are not at the specific choosing stage."

(Laurence McQuillan, Reuter) -- President Bush worked Tuesday on crafting a response to the apparent execution of an American hostage in Lebanon that would vent U.S. anger without dooming the remaining captives in the region. White House officials were reluctant to discuss the situation but acknowledged that intense diplomatic efforts have been mounted to resolve the crisis. U.S. envoys have been in contact with a broad range of foreign powers, including Israel, the Soviet Union, Syria and others in an attempt to defuse "a timebomb," one administration official said.

In Israel, Foreign Minister Arens said in a broadcast interview Tuesday that he was not concerned with Bush's public call for the release of all hostages, presumably including [Sheikh] Obeid. "We don't have to speak with the U.S. administration in hints," Arens told Israel Radio. "We are in close contact with them and so we don't have to try to guess what is the meaning of what they say." Asked if he was worried about Bush's announcement, Arens said: "I am not worried. As you know, we already announced we are ready for a deal to swap all the captives and hostages."

2ND WAITE THREAT (Beirut/UPI) -- A telephone caller claiming to represent the captors of Church of England envoy Terry Waite threatened Tuesday to kill Waite and warned of terrorist attacks on U.S. and Israeli interests if Israel failed to free a Moslem clergyman. The call [was] the second threat against Waite in less than 24 hours.... "We would like to remind (the concerned authorities) that we will execute the British hostage Terry Waite in case Sheikh Abdul Karim Obeid and his two companions were not released before 12 o'clock tonight (5 p.m. EDT)," the caller told the west Beirut-based Voice of the Nation radio station.... The man, who said he was talking on behalf of the Organization of the Oppressed on Earth, warned, "We would like to tell America and Israel that we will strike at their interests in all places in the world if the sheikh is not freed tonight."

ISRAEL/U.S./SHIITES (Jerusalem/UPI) -- Israel Tuesday urged Washington not to let the Lebanese hostage crisis drive a wedge between the two allies but vowed to resist threats to force it to free a radical Moslem clergyman.... Israeli officials blamed Moslem extremists for the escalation in the affair.... Prime Minister Shamir said Israel kidnapped Obeid and two aides to gain the freedom on Israeli and foreign captives in Lebanon. He appealed to the U.S. directly, saying Israel and its No. 1 ally shared a "common interest and common front" in securing the hostages' release.... "Israel has decided it will not respond to threats and will not surrender to all kinds of ultimatums and release the sheikh or anyone else under these kinds of circumstances," Foreign Ministry spokesman Alon Liel said. "However, our offer to exchange the prisoners we are holding in return for the hostages the Shiites are holding stands."

HIGGINS/U.S. PRESS (New York/Reuter) -- The American press reported the apparent murder of hostage William Higgins with fury Tuesday and debated angrily over who was to blame -- his Shiite Moslem killers or the Israelis who kidnapped a Lebanese Moslem leader. Nowhere was the fury more noticeable than in the tabloid newspapers of New York. "Bastards!" screamed the New York Post in a page-one headline over a photograph of [Higgins] hanging from a rope. "Outrage" declared the New York Daily News in a front-page headline over the same photograph.

-more-

CICIPPIO/WIFE (Beirut/Reuter) -- The wife of U.S. hostage Joseph Cicippio begged for his life Tuesday hours before the deadline for his death at the hands of kidnappers in Lebanon. "I plead with those holding my husband to review their conscience and stop from carrying out the (execution) verdict," Cicippio's Lebanese wife Elham Ghandour told a news conference in Christian East Beirut.... "Have mercy on the innocents, so God will have mercy on you," she added, quoting verses from the Koran.

ISRAEL/HOSTAGE CRISIS (Jerusalem/Reuter) -- Israel said Tuesday it was making secret efforts to free all hostages still held by pro-Iranian groups in Lebanon who have killed one American captive and are threatening to kill another. But the Jewish state said it would not give in to the threat against hostage Joseph Cicippio.... Defense Minister Rabin told an emergency committee meeting in parliament he believed hostages facing death threats in reprisal for the Obeid abduction had been killed before the current crisis, participants said. Prime Minister Shamir, asked if Israel was currently in contact with the Shiite Hizbollah group, said: "There are permanent contacts with various factors about the release of the hostages." He spoke after meeting U.S. Ambassador William Brown. Vice-Premier Shimon Peres suggested negotiations had begun, telling reporters: "I believe this matter at this moment must be handled through secret diplomacy."

ISRAELI PRESS/U.S. REACTION (Jerusalem/Reuter) -- An Israeli newspaper accused the U.S. Tuesday of "cringing and mumbling" in the face of terrorism. The press stood firmly behind the government, rejecting charges that Israel was to blame.... The mass-circulation Yedioth Ahronoth wrote that "It seems that the United States has suffered from Shi'ite terrorism more than any other country in the world, has received deadly blows from Hizbollah and has had the highest number of citizens kidnapped. Instead of standing courageously and openly beside Israel in its tough and unrelenting war against kidnappers and murderers, the United States is cringing and mumbling and creating the impression it would just as soon throw us onto the same heap as the West's worst enemies." Editorials in all the Hebrew-language daily newspapers called on the U.S...to join the Jewish state in taking a tough stand.

ARABS/HIGGINS (Nicosia/Reuter) -- Arabs are blaming Israel for the death of American hostage William Higgins, charging that it has put a noose around the necks of Western captives in Lebanon. "If Higgins has been hanged, then Israel certainly pulled the rope," the English-language Kuwait Times said Tuesday. It joined Arab governments and newspapers in condemning the killing announced by pro-Iranian kidnappers.... Most pointed the finger of blame at Israel rather than Higgins' killers.

SOVIETS/HIGGINS (Moscow/AP) -- The Soviet Union Tuesday denounced the reported hanging of Lt. Col. William Higgins in Lebanon as "inhuman," but also faulted Israel for kidnapping Shiite Moslem cleric Sheikh Obeid.... Foreign Ministry spokesman Vadim Perfiliev read out a brief statement at a hastily called news briefing saying, "We resolutely denounce this inhuman action." ... "The fact that the aggravation of the situation in Lebanon, caused specifically by the abduction of Shiite leader Sheikh Obeid by Israeli commandos, has led to an escalation of acts of violence and terror and evokes profound concern," the statement said.

11:30 A.M. NEWS UPDATE

SHIITES/TERRORIST THREATS (Beirut/UPI) -- A pro-Iranian clergyman with close links to Hezbollah said Wednesday any U.S. military retaliation for the death of Lt. Col. Higgins will be met with suicide attacks. Sheikh Ahmed Taleb, a clergyman from Jibsheets, the home village of Sheikh Obeid...urged pro-Iranian extremists holding Western hostages to continue with their executions until Obeid is released.... Taleb...said the situation becomes more dangerous for U.S. and Israeli hostages the longer Obeid is held. "It is essential to continue killing hostages. Other Israeli weak points could be hit, in and outside Lebanon," he said. "Let America know that we have many youths who are ready to launch suicide attacks.... We hope that America does not force us," Taleb said in response to a question on U.S. naval movements in the Middle East.

HIGGINS/POPE (Vatican City/UPI) -- Pope John Paul II has accepted President Bush's personal request to help recover the body of Lt. Col. William Higgins so it can be returned to the U.S., a Vatican spokesman said Wednesday. Deputy Vatican spokesman Don Giovanni D'Ercole confirmed Washington reports that Bush telephoned the pope Tuesday asking his intercession in trying to recover Higgins' remains.... "His holiness expressed the readiness of the Holy See to seek the best solution of this problem," D'Ercole said.

HIGGINS/PRESIDENT (Thomas Ferraro, UPI) -- President Bush summoned top advisers to the White House again Wednesday as he sought to break a reign of terror in the Middle East and prevent the threatened execution of a second American hostage. "These are not easy days," Bush told a congressional barbeque Tuesday night.... Standing before the Oak Ridge Boys...Bush said, "There are some overwhelming events that concern everyone here, but even though they are complicated times, I think an evening like this of just plain relaxation with friends is very, very significant and very, very important." The President wants to portray a concerned, but not a frantic administration. But he is clearly frustrated, angry and groping for a solution.

HOSTAGE CRISIS/PENTAGON (Reuter) -- With tensions increasing over the reported hanging of a U.S. hostage in Lebanon, the Pentagon said Wednesday that a total of 14 American naval ships had cut short port visits to set sail. "The battleship Iowa is under way from Marseilles," said Lt. Cmdr. Edward Lundquist, a Pentagon spokesman. "The aircraft-carrier America is under way from Singapore with eight escorts." He said the ships cut short planned visits Wednesday to meet "operational commitments. That means they have places to go and things to do," he said, declining to say where the ships were going.

HOSTAGE CRISIS/EMBASSY (Marseilles, France/Reuter) -- The U.S. battleship Iowa left the French port of Marseilles on Wednesday with American embassy officials refusing to say where it was headed or if the departure was linked to the hostage crisis in Lebanon. "We have no comment to make here. All inquiries are being referred to Washington," a spokesman at the Paris embassy said. A French defense ministry spokesman said the Iowa left on schedule after a routine courtesy visit.

OBEID KIDNAPPING/RABIN (Jerusalem/AP) -- Defense Minister Rabin Wednesday defended Israel's kidnapping of a Lebanese Shiite clergyman, saying the Cabinet considered the dangers to foreign hostages in Lebanon before approving the abduction. Speaking to parliament, Rabin also disclosed that the Cabinet had approved Friday's capture of Sheikh Obeid two months ago. He said final approval was delayed until "every grain of possibility for dialogue" had been exhausted on winning the release of three Israeli soldiers believed held in Lebanon. Rabin said Israel did not inform any other country of its intentions to abduct Obeid. "We didn't include any other country before the action and did not even offer information about it," he said.... "We took into consideration all the possible reactions," he said. "We saw them all, including the actions that already took place, and ones even worse."

(Jerusalem/Reuter) -- Defense Minister Rabin said Wednesday Israel took into account the possibility that a pro-Iranian group would kill Western hostages when it seized Sheik Obeid in Lebanon. "At the stage of planning the operation for the capture of the sheik and its approval, we took into account all the possible reactions on the part of activists in the Hizbollah organization," he told the Knesset.... Rabin, answering three motions of no-confidence in the Knesset over the army's abduction of Obeid on Friday...said, "The cabinet approved the operation almost two months ago. It was to have been carried out a month earlier. I asked the cabinet to postpone it when a minute possibility emerged of a dialogue (for a prisoner exchange), and only when it disappeared did I go back to the cabinet and request approval a month later," he said.

CICIPPIO/IRAN (Beirut/AP) -- Iran is believed to have pressured pro-Iranian militants to put off killing American hostage Joseph Cicippio, and the chance his life will be spared has increased, Shiite Moslem sources said Wednesday.... Shiite sources in Lebanon, speaking on condition they not be further identified, said they believed Iran may have stepped in to save Cicippio after an international uproar over Monday's reported hanging of Lt. Col. Higgins.... "The Iranians probably are bringing immense pressure on their Lebanese surrogates, seeking to defuse the crisis generated by Higgins' murder," one Shiite source in Lebanon said, speaking on condition he not be identified.... U.S. officials said they had sent a strongly worded message to Iran on behalf of the hostages. "We expect those who have influence over the hostage takers to exert that influence," one official said on condition of anonymity.

CAMBODIA/HUN SEN (Paris/AP) -- In a major policy reversal, Prime Minister Hun Sen of Cambodia said Wednesday he has told his Vietnamese-backed government to welcome a U.N. peace mission to be sent under terms of an international accord.... "I have already given instructions to give all the assistance necessary to this technical mission," Hun Sen said in a meeting with reporters at his hotel.... Hun Sen said he changed his mind about the U.N. mission after receiving assurances from the foreign ministers of Canada and Australia and U.N. Secretary General Javier Perez de Cuellar that the visit of the U.N. mission would not imply future U.N. involvement in peace efforts.

CONTRAS/HONDURAS (Tegucigalpa/Reuter) -- Honduras will oppose any proposal aimed at linking the disbanding of U.S.-backed Nicaraguan rebels with the disarming of leftist guerrillas in El Salvador, President Azcona said Tuesday. "They are two questions that share some similarity, but in the case of the contras the problem is that they are in Honduran territory, whereas the Salvadoran guerrillas are inside their own territory and active," Azcona told reporters.

CAPITAL GAINS (AP) -- The chairman of the House Ways and Means Committee is offering his own capital gains tax break in an effort to block a plan favored by President Bush, committee members say. The measure offered Tuesday by Rep. Rostenkowski would protect taxpayers against paying taxes on gains caused by inflation, but further details could not be learned immediately. Rostenkowski has said he would not support a rate cut. "I'm not optimistic," Rostenkowski told reporters after meeting with the six dissident Democrats who have joined with the 13 Republicans on the committee to make a majority in favor of cutting the capital gains rate. He was to present the proposal to Republican members today before trying to sell it to a morning caucus of all House Democrats. A Republican committee member, who spoke on condition that he not be identified by name, said there was no chance Rostenkowski can persuade Republican to drop their support of a rate cut, an idea already rejected by the White House.

CLEAN-AIR BILL (AP) -- President Bush's clean-air bill could cost businesses and consumers money but it remains the best hope for breaking a decade-long stalemate, a coalition of the nation's major industries says. "There is no gift here -- for consumers, workers or businesses," coalition administrator William Fay said Tuesday in answer to environmental groups that contend the Bush proposal is a sellout to industry.... Fay said the legislation would dramatically control acid rain, tighten auto and truck emission standards, force some cities to adopt an alternative motor fuels program and cut ozone emissions and airborne toxic chemicals. But some of the measures, Fay said, would go too far in slashing industry profits, hurting competitiveness and costing consumers money when pollution control costs are passed on.

Daily Files

Document Originally
Attached to
Following Page

2:30 P.M. NEWS UPDATE

CICIPPIO DEADLINE EXTENSION (CNN) -- The kidnappers of Joseph Cicippio, the Revolutionary Justice Organization, have granted a two-day reprieve in their death threat against Cicippio. The group cited humanitarian considerations, including a plea by Cicippio's Lebanese wife.

CICIPPIO FAMILY (Norristown, Pa./AP) -- The family of Joseph Cicippio, a hostage threatened with death in Lebanon, pleaded with Israel this morning to free the Moslem religious leader it abducted last week. "I feel as though there's a very serious hurricane moving in my direction and there's no way that I can stop it," Thomas Cicippio said in a CBS interview about his brother.... Cicippio...made a personal plea to Israel. "Please release Sheik Obeid as quickly as possible. We must try to do everything we possibly can to start peace movements once again," he said. Today in Beirut, Joseph Cicippio's wife, Ilham, tearfully pleaded with his captors. "Please don't execute him, please," said Mrs. Cicippio.

HIGGINS/WORLD REACTION (London/Reuter) -- As pro-Iranian militants threatened to kill another U.S. hostage, world governments Tuesday condemned the reported hanging of Lt. Col. Higgins and criticized Israel for abducting a Lebanese cleric. "The murder of U.N. official William Higgins is a despicable deed which must be condemned," said Swedish Foreign Minister Sten Andersson.... French President Mitterrand, in a letter to U.N. Secretary General Perez de Cuellar, said the killing of Higgins revolted the French people..... An Italian Foreign Ministry statement said reports of Higgins' killing had aroused "feelings of deep condemnation and strong disdain." It called the abduction of Obeid another violation of Lebanese sovereignty.

HIGGINS/DOLE (UPI) -- Sen. Dole said Tuesday that Israel's "free-lancing" abduction of a Shiite extremist leader...cannot be condoned but can be understood. Dole said, "I can understand, as a human being, how the Israeli government would be tempted to take unilateral action to win some 'bargaining chips' in its efforts to win release of its own citizens from barbaric capture. But I cannot condone, as a thinking person, how any government -- ours, the Israeli government, or any other civilized government -- could embark on this unilateral, free-lancing course, without regard to the effect on innocents of other friendly countries, without regard to our common front against terrorism." ... Dole's remarks sharply toned down the criticism of Israel he expressed Monday.

(Reuter) -- Sen. Dole renewed his criticism of Israel Tuesday in connection with the reported hanging of Lt. Col. Higgins but said Higgins' blood was on the hands of his captors and not Israel. "His murder, his blood, is on the hands of his assassins," Dole told the Senate. "They are to blame for William Higgins' death -- no one else. And they should be brought to justice and punished." The purpose of Dole's statement appeared to be to clarify his assertion Monday that Israel was irresponsible in capturing a Lebanese Shiite leader to trade for release of Israeli captives when it should have known the retaliation would be against an American.

HIGGINS/FOLEY (AP) -- Speaker Foley cautioned Tuesday against permitting the Middle East hostage crisis to strain U.S. relations with Israel, saying "no greater goal could be sought by some of the terrorists." ...In his daily news conference, Foley said Higgins had been killed by terrorists and added, "The United States and Israel have both been victimized by terrorist acts."

U.S. CARRIER (Reuter) -- The U.S. aircraft carrier Coral Sea and two cruisers left Egypt Tuesday to resume operations in the Mediterranean, but the Defense Department denied the move was prompted by the hostage situation in Lebanon. Defense officials said Tuesday's departure of the Coral Sea had been scheduled for weeks.

MX/SENATE (AP) -- The Senate Tuesday endorsed President Bush's plan for making MX nuclear missiles mobile, rejecting a proposal to slash \$502 million from the administration's \$1.1 billion request for the weapons program. On a 62-38 vote, the Senate turned aside an amendment that would have trimmed the funds earmarked for placing the existing 50 MX missiles on railroad cars -- a budget-cutting step the House took last week. "If we have that kind of unraveling over here, we go to conference with a totally illogical, unsound program...and I believe that will be detrimental to both our national security and our arms control," Sen. Nunn said.... The Senate also approved, 93-7, a non-binding resolution expressing the sense of the chamber that "it is not presently prudent or possible to commit to the procurement of an operational force" of B-2 Stealth bombers.

LUCAS REJECTED (UPI) -- The Senate Judiciary Committee rejected William Lucas for the government's top civil rights post Tuesday and voted not to send his name to the full Senate for reconsideration in an important blow to President Bush.... Sen. Heflin said Tuesday that he opposes Lucas because of a lack of "expertise, knowledge, experience and the ability to carry out the job." ...Reaction from civil rights leaders [expressed satisfaction at Lucas' defeat], with Chairman John Buchanan of People for the American Way declaring, "Today's vote should send an important message to the administration: Now is a time for recommitment to civil rights, not retrenchment. The Lucas nomination was a mistake from the outset and the committee was wise to kill it."

(Reuter) -- In a major setback for President Bush, black attorney William Lucas's nomination as head of the Justice Department's civil rights division was killed Tuesday by the Senate Judiciary Committee.... Sen. DeConcini joined all six Republicans on the committee in voting for Lucas. The other seven Democrats on the committee opposed him, saying he did not have the experience for the job.... "As a result of raw politics, a man who has demonstrated his ability over a 40-year time span as a social worker, police officer, an FBI agent, a sheriff and a county government leader, to make a difference for the benefit of many Americans has been denied the opportunity to continue to serve," Attorney General Thornburgh said in a statement. ###

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:

P05448-02 [Oakridge Boys]

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:

19

Folder Title:

Tuesday, August 1, 1989

OA/ID Number:

90518-008

Transferred by:

Deborah Wheeler

Date of Transfer:

7/7/2009

Received by:

Mary Finch

Date Received:

7/7/2009

Go to Database
Navigator

Go to Accession
Register

Go to Withdrawal Sheet

Print Record

Oakridge
Boys



OFFICIAL WHITE HOUSE PHOTOGRAPH 01 AUG 89 P05448-02 DV



THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Bishop Talbert,

Thank you for coming to the White House and for your special gift.

I have now read the Asbury and Washington letters and am now more convinced that no one can be President of the United States without belief in God and without prayer.

My warmest best wishes to you.

Sincerely,

The Reverend Melvin G. Talbert
Secretary
Council of Bishops
The United Methodist Church
900 South Arlington Avenue
Harrisburg, Pennsylvania 17109-5097



THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Bishop Tuell,

I just wanted to thank you for coming to the White House and for that special gift.

I have now read the Asbury and Washington letters and am now more convinced that no one can be President of the United States without belief in God and without prayer.

My warmest best wishes to you.

Sincerely,

The Reverend Jack M. Tuell
President
Council of Bishops
The United Methodist Church
900 South Arlington Avenue
Harrisburg, Pennsylvania 17109-5097

JB

THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Al:

Thank you for the thoughtful birthday greetings and Thai silk gifts. Barbara and I appreciate your remembering our special days, and we are grateful for your kind words.

With our very best wishes to you and all the family,

Sincerely,

A handwritten signature in black ink, appearing to be "Barbara B.", written in a cursive style.

The Honorable Al Verrier
Box 31
APO San Francisco 96346



THE WHITE HOUSE
WASHINGTON

August 1, 1989

Dear Bishop Yeakel,

I just wanted to thank you for coming to the White House and for the special gift.

I have now read the Asbury and Washington letters and am now more convinced that no one can be President of the United States without belief in God and without prayer.

Thank you for coming to visit. My warmest regards to you.

Sincerely,

The Reverend Joseph H. Yeakel
Resident Bishop
Council of Bishops
The United Methodist Church
900 South Arlington Avenue
Harrisburg, Pennsylvania 17109-5097