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FOIA MARKER

**This is not a textual record. This is used as an
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Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Office of the President
Series: Daily Files
Subseries:

OA/ID Number: 90528
Folder ID Number: 90528-008

Folder Title:
Wednesday, December 6, 1989

Stack:	Row:	Section:	Shelf:	Position:
V	12	11	5	1

Withdrawal/Redaction Sheet (George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Schedule	Schedule of the President [redaction] (1 pp.)	12/06/89	(b)(3)	
02. Log	White House Telephone Log [President Bush] [redaction of personal information] (2 pp.)	12/06/89	(b)(6)	

Page 1 of 1

Collection:

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Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 6, 1989

Pinksheet Number: dw1529

OA/ID Number: 90528-008

Date Closed: 10/30/2009

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

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P-2/P-5 Review Case #:

AR Case #:

AR Disposition:

AR Disposition Date:

Appeal Case #:

Appeal Disposition:

Disposition Date:

MR Case #:

MR Disposition:

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

PRM. Removed as a personal record misfile.

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 (b)(9) Release would disclose geological or geophysical information



SCHEDULE OF THE PRESIDENT

Wednesday, December 6, 1989

7:15 am (15 min)	<u>Meeting with Lee Atwater</u> (Card)	Oval Office
7:45 am (10 min)	<u>Coffee with Judge John Walker</u> (Presock)	Oval Office
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 (15 min)	<u>Interview with the Houston Post</u> (Fitzwater) (TAB A)	Oval Office
9:00 am (60 min)	<u>Administrative Time</u>	Oval Office
10:00 am (20 min)	Meeting with Bettino Craxi, Secretary of the Italian Socialist Party <i>opwp-3</i> (Scowcroft) (Distributed Separately)	Oval Office
10:30 am (15 min)	<u>Photo Opportunities</u> (TAB B) 1. Salvation Army Commanders (Demarest) 2. National Women's Economic Alliance (Demarest) 3. NAM President (Demarest)	Oval Office <i>> stills</i>
10:45 am (15 min)	<u>Personal Staff Time</u>	Oval Office
11:00 am (60 min)	<u>Budget Review</u> (TAB C) (Darman)	Oval Office
12:00 pm (60 min)	<u>Lunch with the Vice President</u>	Oval Office
1:00 pm (15 min)	<u>Personal Staff Time</u>	Oval Office

UNP 12/05/89
6:00 pm



1:15 pm
(10 min)

Drop by Meeting with Core Foreign
Policy Group Leadership
(Demarest) (TAB D)

Roosevelt Room

1:30 pm
(30 min)

Meeting with Secretary Baker

Oval Office

2:00 pm
(60 min)

Budget Review
(Darman) (TAB E)

~~Cabinet Rm~~
~~Oval Office~~

3:00 pm
(60 min)

Administrative Time

Oval Office

3:30- Card, Demarest, Rogick, + Fitz

4:00 pm
(60 min)

Dental Appointment
(Lee)

Dentist Office

6:15 pm
(45 min)

B Briefing and Reception to high-
light the support of Corporate
America in the Hispanic Community
(Demarest) (OPEN) (TAB F)

State Floor

7:18 add Atwater + Card 7:45 Atwater + Card out 7:50 add Judge Walker

8:04 add Bates, Acrowcroft, DCI, Briefer + Card 8:05 Walker + Card out

8:25 add V.P. 8:27 DCI + (b)(3) out 8:54 Bates + Acrowcroft out

8:58 VP out, add Fitzwater 9:04 add Kathy Lewis + photog et al

9:26 all out 9:31 add Brady Darman + Card 9:57 Card + Darman out

10:01 Brady out 10:04 add Baker Bates, Acrowcroft + Fitzwater

10:06 add Proppi et al (10:36 add press pool) (10:40 Press pool out)

10:41 all out except Baker, Bates, + Acrowcroft 10:49 all out

12:07 all out 12:09 VP in for lunch 1:04 V.P. out 1:10 add Fitzwater

1:12 Fitzwater out 1:13 Card in

1:14 add Demarest, Bates, Acrowcroft, Blackwell 1:19 all to Roosevelt Rm for Foreign Policy group.

1:48 Potes to oval, add Bates + Baker 2:00 Bates out

2:07 Baker out 2:09 Potes to Cabinet Rm for Budget Mtg

3:28 Potes to Oval w/ Card 3:37 Card out 3:38 add Acrowcroft

3:42 Acrowcroft out 3:43 add Baker 3:45 Baker out

UNP 12/05/89
6:00 pm

Photocopy from George Bush Presidential Library

3:48 add Baker, Acowcroft, Gates + ~~at~~ Aub. Jones
Lilley

4:47 Baker + Lilley out 4:53 Acowcroft + Gate out add
Chris Winston

5:10 Chris Winston out 5:15 Untermeyer u.

5:21 Untermeyer out 6:13 apt eval to Res. 6:14 an ~~2nd 7th flr~~ ^{state 7th flr}

6:15 announced into Etkin - Remarks join Mrs. Bush
6:49 conclude receiving line - mix + ~~mingle~~ ^{remarks} mingle ^{receiving} line

6:51 Peter to 2nd 7th flr Res. 6:52 add m/m Don Peterson
m/m August Busch m/m Keogh

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THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 6th , 19 89

	TIME		DISC	NAME	ACTION
	PLACED				
OUT		AM		SECRETARY JAMES BAKER OFC: WASHINGTON, DC WHITE HOUSE ADMIN EXT. 420	TLKD-OK
XINC	12:06	PM	12:07		
OUT		AM			
INC		PM			
OUT		AM		MR. CHARLES UNTERMEYER OFC: WASHINGTON, DC WHITE HOUSE ADMIN EXT. 689	TLKD-OK
XINC	3:29	PM	3:34		
OUT		AM			
INC		PM			
OUT		AM		MR. JACK STEELE (b)(6)	LW, ANSWERING MACHINE
X	4:48	PM			
OUT		AM			
INC		PM			
XOUT		AM		REVEREND BILLY GRAHAM ST. MARTIN, FRENCH ANTILLES 011-590-878-539	TLKD-OK
INC	4:49	PM	5:02		
OUT		AM			
INC		PM			
OUT		AM		MR. CHARLES UNTERMEYER OFC: WASHINGTON, DC WHITE HOUSE ADMIN EXT. 689	TLKD-OK
XINC	5:25	PM	5:29		
OUT		AM			
INC		PM			
OUT		AM		MR. HUGH SIDNEY OFC: WASHINGTON, DC 861-4000	TLKD-OK
XINC	5:32	PM	5:51		

THE WHITE HOUSE

WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 6th

1989

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	XXXX AM		MRS. NANCY ELLIS (b)(6)	BY IN N.Y.C. TLKD TO MR. ELLIS TLKD-OK 8:43PM
INC	8:27 PM	8:45		
OUT	AM			
INC	PM			
XXXX OUT	XXXX AM		MR. MARVIN BUSH (b)(6)	TLKD-OK
INC	8:31 PM	8:40		
OUT	AM			
INC	PM			
OUT	XXXX AM		MRS. NANCY ELLIS COSMOPOLITAN CLUB NEW YORK, NY 212-734-5950	AT DINNER, LW
X	8:46 PM			
OUT	AM			
INC	PM			
OUT	XXXX AM		VIDEO SERVICES OFC: WASHINGTON, DC 395-4125	SGT. SANTISTEVAN TLKD-OK
INC	8:55 PM	8:55		
OUT	AM			
INC	PM			
OUT	XXXX AM		MR. NEIL BUSH (b)(6)	TLKD-OK
INC	9:39 PM	10:02		
OUT	AM			
INC	PM			
OUT	XXXX AM		MRS. BARBARA BUSH RES: WASHINGTON, DC WHITE HOUSE ADMIN EXT. 551	TLKD-OK
INC	10:08 PM	10:08		

[illegible]

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 6 December 1989

TIME

MOVEMENTS

[illegible]



News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, DECEMBER 6, 1989 -- 6 a.m. EST EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Back On The Job, Bush's First Task Is Dealing With Quayle, Thatcher -- President Bush, back at work Tuesday after his weekend summit with Soviet President Gorbachev, was quickly reminded of how delicate a task he faces politically and strategically in advancing closer relations with the Soviet Union. (Boston Globe)

Bush Proposing Talks In U.S. On Global Warming -- In a policy shift, President Bush has proposed that the U.S. sponsor an international conference in Washington next fall to begin negotiating a treaty on global warming. (New York Times)

U.S. Says Americans Free In Philippines -- Americans who had been trapped in Manila hotels besieged by rebel Philippine forces have been evacuated and are free Wednesday, U.S. officials say. (AP)

NETWORK NEWS (Tuesday evening)

PHILIPPINES -- Philippine military officials have reached a cease-fire with rebel troops holding the area where Americans are trapped.

SOVIET UNION/U.S. OPINION -- The President found the sharpest criticism of his new embrace of Gorbachev coming from his own Vice President.

POLL -- President Bush and Gorbachev continue to get high marks from the American people.

INTERNATIONAL...A-1

NATIONAL NEWS...A-12

NETWORK NEWS....B-1

EDITORIALS.....C-1

FOREIGN MEDIA...C-3

INTERNATIONAL NEWS

PRESIDENT BUSH SAYS U.S. OUGHT TO AID SOVIET REFORM MOVES

President Bush said Tuesday that as long as the Soviet Union and its allies move toward democratic change the U.S. should help them in any way it can.

In a speech to the National Republican Congressional Committee, Bush said the U.S. should not offer its assistance in "some superior manner" nor should it try to exploit the changes that are taking place.

"As long as these changes, these democratic changes, keep moving inside the Soviet Union and Eastern Europe, I think the United States ought to be out there trying to help," Bush said. The U.S. should advise the Soviets on what works and and try to assist them "with whatever we can," he added.

The Soviets are not looking for a U.S. bailout, he said. "That's good 'cause we don't have the money anyway," he quipped.

(Donna Smith, Reuter)

BUSH SITES SUMMIT FAILURES

The White House curbed its Malta summit euphoria and highlighted U.S.-Soviet differences Tuesday as it tried to gloss over a split between President Bush and British Prime Minister Thatcher on German reunification.

While accenting the satisfaction Bush felt in his efforts to thaw relations with the Kremlin, National Security Adviser Scowcroft said the superpower leaders failed to reach agreement on regional issues or a new chemical arms reduction plan.

At a special appearance in the White House briefing room, Scowcroft told reporters that Bush "is very pleased with his trip and, in his opinion, he achieved his objectives, both in Malta (and) with his allies in NATO" during Monday's meeting in Brussels, Belgium.

But asked if Bush and Soviet President Gorbachev settled the nearly two dozen issues raised by Bush, Scowcroft said, "There were some that they didn't agree to."

During his meeting with reporters, Scowcroft ticked off a list of issues on which Moscow and Washington remain at odds. Soviet military and economic support of Nicaragua and Afghanistan topped the chart.

"It's a very complex period of change, and you can look at some things that indicate a very positive direction to that change. You can look at others, like, for example, Central America, and say, 'Hey, look, you know, that hasn't changed at all.' And the President pointed that out to Chairman Gorbachev," Scowcroft said.

(Paul Bedard, Washington Times, A1)

BUSH SAYS SOVIET UNION SHOULD HELP SPUR DEMOCRATIC CHANGES

President Bush, seeking to disarm criticism from the right, says the U.S. should help spur democratic changes inside the Soviet Union and Eastern Europe despite persistent differences over Soviet aid to leftist regimes in Central America.

Bush was expected to review the dramatic events unfolding in Europe Wednesday in an Oval Office meeting with Bettino Craxi, the secretary of the Italian Socialist Party.

Meanwhile, the White House denied Tuesday there was any difference in attitudes toward the Soviets between Bush and Vice President Quayle....

Bush, in his first public comments since returning to the White House from Europe Monday, told a GOP fund-raising dinner Tuesday night that "there is no question that progress was made at Malta."

"I look at Malta as a hopeful step in a new relationship, the first step in the next decade and the new world that is taking place each passing day. It's got to be a new world of freedom."

(Christopher Connell, AP)

BACK ON THE JOB, BUSH'S FIRST TASK IS DEALING WITH QUAYLE, THATCHER

President Bush, back at work Tuesday after his weekend summit with Soviet President Gorbachev, was quickly reminded of how delicate a task he faces politically and strategically in advancing closer relations with the Soviet Union.

While Bush showed up at the Oval Office elated over what he and Gorbachev achieved, his first order of business was addressing concerns raised by British Prime Minister Thatcher and Vice President Quayle -- ostensibly his two most loyal supporters -- about issues handled at the summit.

Despite the backing Bush gave over the weekend to Gorbachev's reforms, Quayle told the Washington Post on Monday that the Soviet Union has not gone far enough in its foreign policy to deserve full U.S. commitment....

After attending a national security meeting with Bush and Quayle, National Security Adviser Scowcroft attempted to play down any differences between the President and Vice President.

Acknowledging that there was a difference in "tone" between Quayle's comments and Bush's call for the West to adopt "new thinking" toward the Soviets, Scowcroft pointed out that Bush has also been critical of Soviet support of Nicaragua and Cuba.

(Stephen Kurkjian, Boston Globe)

Summit Remarks Illustrate Quayle's Role As Envoy To The Right

Vice President Quayle's skeptical warning this week about Soviet foreign policy demonstrated anew that he has President Bush's blessing to serve as an ambassador to conservative critics of the Administration, White House officials and other analysts said Tuesday....

While Bush was hailing the "threshold of a new era" in U.S.-Soviet relations, Quayle said that "the new thinking and the real reform is in the area of economics." He added, "I don't think they've changed much in foreign policy" and "you're still dealing with a totalitarian government."

Mitchell Daniels, president of the Hudson Institute and a Republican political strategist close to Quayle, said the Vice President was serving a deliberate purpose in reassuring restive conservatives that Bush did not go too far in making concessions to the Soviets at Malta.

"He's an anchor to windward with regard to the conservative base of the party," Daniels said. "I think conservatives, even the most skeptical, are very pleased and have to be in a good mood watching these events unfold. All that's required to keep them that way is some sense that the President is not getting carried away."

"The Vice President, without any fundamental divergence from the President's policy, served that role," he added.

(David Hoffman, Washington Post, A24)

Dan, Prez Differ On Soviets

A day after telling NATO allies that Mikhail Gorbachev's policy on Eastern Europe "absolutely mandates new thinking" about the Soviets, President Bush picked up a newspaper to discover that Vice President Quayle had a different opinion....

Following the Vice President's (Washington Post) interview, National Security Adviser Scowcroft was dispatched to the White House press room to explain the apparently differing views of Bush and Quayle.

"We have an Administration that is very closely aligned but I think it's probably not possible for people to speak literally with one voice," Scowcroft said.

"There may, from time to time, be a difference of perspective but there is no difference in the substance of the policies we're pursuing," he insisted.

(Maureen Santini, New York Daily News, A15)

SUMMIT AGREEMENT ON STRATEGIC WEAPONS UNDER FIRE FROM CONSERVATIVES

As President Bush pressed his top aides to accelerate work on a strategic arms reduction treaty, conservatives opened a new drive to slow what they see as a dangerous rush toward an arms control disaster.

Led by Paul Nitze,...the critics charge that Bush was stampeded by world opinion into agreeing with Soviet President Gorbachev in Malta to conclude the START treaty by next year.

"The President showed a lack of understanding on how the negotiations are going by ordering this deadline," Nitze said Tuesday. "That's the reverse of how you negotiate successfully. You try to put the pressure on the other guy."

"I have some experience in these things," said Nitze, who oversaw the crafting of the 1987 IMF Treaty and other U.S.-Soviet nuclear weapons negotiations during the past two decades.

(David Wood, Newhouse)

-more-

SDI GIVEN LOW PRIORITY AT SUMMIT, AIDES SAY

The SDI, the most contentious issue between the U.S. and the Soviet Union since 1983 and the one that dominated the Geneva, Reykjavik and Washington summits, virtually dropped from view at the Malta summit last weekend between President Bush and President Gorbachev, according to U.S. participants.

Senior U.S. aides said Tuesday that the issue of strategic defense, while still not settled, did not play a major role in discussions at Malta, suggesting that Moscow has given it a lower priority. Several aides said that, to their knowledge, Gorbachev never mentioned it....

The shift in the tone and content of the dialogue from contentiousness to cooperation in this and other areas was described by one senior Administration official as the most striking aspect of the two days of talks aboard the Soviet luxury liner Maxim Gorky docked at Malta.

(Don Oberdorfer & David Hoffman, Washington Post, A25)

SOVIETS URGED BAN ON SOME NUCLEAR ARMS AT SEA

U.S. Officials Suggest Gorbachev Wants
To Spark Debate On Broad Naval Constraints

Soviet President Gorbachev proposed during his Malta meeting with President Bush that the two superpowers agree to ban all tactical, or short-range, nuclear weapons from surface warships, senior U.S. officials said Tuesday.

U.S. officials believe Gorbachev made the proposal to draw the U.S. into a broad discussion of naval arms constraints, including potential reductions in the number of surface warships.

But Bush, expressing long-held U.S. policy, said he generally disapproved of superpower naval arms control negotiations, the officials said.

Bush "made it clear that we couldn't negotiate (this) because it doesn't enhance our security," a senior official said on condition of anonymity. The Gorbachev proposal would ban thousands of nuclear weapons carried by the two navies' surface fleets.

(Jeffrey Smith, Washington Post, A25)

SOVIET SUPPORT FOR NAJIBULLAH BLOCKED POLITICAL HEADWAY AT MALTA

The Soviet Union will continue supporting the pro-Moscow leader of Afghanistan despite President Bush's insistence at the Malta summit that President Najibullah's ouster would hasten settlement of the war in that country, according to U.S. officials.

Bush described Najibullah as "unacceptable" to U.S.-backed Moslem guerrillas, but Soviet President Gorbachev said he was a national figure who was gaining popularity in the country, the officials said Tuesday.

Bush and Gorbachev were unable to break new ground at their superpower summit to end the conflict between government and Moslem forces in Afghanistan even though the last Soviet troops departed in February.

(Barry Schweid, AP)

SUMMIT, CHANGES IN EAST BLOC LEAVE AMERICANS HOPEFUL BUT SKEPTICAL ABOUT SOVIETS, COLD WAR

Despite the summit between President Bush and Soviet leader Gorbachev and the sweeping changes taking place in Eastern Europe, Americans remain skeptical of the Soviets, reluctant to go too far to aid them and unwilling to declare the Cold War over.

A new Wall Street Journal/NBC News poll conducted Monday, the day after the summit concluded, found that while Americans are hopeful about developments, there is no euphoria: Views of Bush, Gorbachev and U.S.-Soviet relations were remarkably little affected by the weekend meeting between the two leaders.

The Journal/NBC survey found that a narrow majority -- 52 percent -- of the 806 registered voters polled believe the improved dealings between the two superpowers are the beginning of a long-term positive relationship, while 37 percent say the improvements are temporary and could easily change. Forty-five percent say the Cold War is still going on, while 40 percent believe it is mostly over; that is actually a bit more pessimistic than in a Journal/NBC poll conducted a month ago, when voters were evenly split on the question at 46 percent.

(Michel McQueen, Wall Street Journal, A16)

GOODS, SHORTAGES ARE MAJOR TEST, GORBACHEV SAYS He Tells Bush His Record Depends On Economy

President Gorbachev told President Bush in Malta that the Soviet leader's campaign to end a shortage of consumer goods in his country was "the ultimate test" of his leadership and left some American officials with the impression that he was uncertain how to solve his economic problems.

In a discussion of Soviet domestic problems over lunch aboard the Soviet cruise liner Maxim Gorky on Saturday, Gorbachev suggested that his position as Soviet leader was secure and not threatened by political opposition, senior Administration officials said Tuesday.

One official said Gorbachev's remarks seemed to make it clear that he was "very much not in control of his destiny" when it came to the economy. Still, the Soviet leader discussed Moscow's intractable economic problems with "a sober sense of confidence" that some improvement could eventually be achieved, another official said.

(Andrew Rosenthal, New York Times, A1)

BUSH PROPOSING TALKS IN U.S. ON GLOBAL WARMING

In a policy shift, President Bush has proposed that the U.S. sponsor an international conference in Washington next fall to begin negotiating a treaty on global warming.

Until now, White House officials have resisted a specific commitment to begin such negotiations, choosing instead to play down the urgency of the global warming issue. In recent months, however, Bush has faced pressure from members of Congress, Administration officials and several European nations to take stronger action.

The President made the treaty proposal at the Malta summit conference with the Soviet president. The U.S. and the Soviet Union lead in emissions of carbon dioxide, which scientists say is accumulating in the atmosphere and contributing to global warming.

(Allan Gold, New York Times, A15)

EUROPEAN SOCIALISTS ACCLAIM BUSH
CALL FOR EUROPEAN INTEGRATION

BRUSSELS -- Socialists in the European Parliament acclaimed President Bush's call for an intensified effort by the 12 EC states to achieve integration.

"We are happy to see that President Bush endorses the mainstream of European thinking," said a statement issued Tuesday by Jean-Pierre Cot, chairman of the 180-member Socialist group, by far the strongest faction in the European Parliament.

"We do very much hope that the Strasbourg summit will reaffirm the necessity of speedy and close European integration," Cot said. (UPI)

BUSH REASSURES THATCHER ON EC

LONDON -- Prime Minister Thatcher told the House of Commons that she and President Bush were in agreement on the EC, despite his call for quicker integration of the 12 countries.

Bush appeared to irritate Thatcher at a NATO summit Monday in Brussels by saying recent political reforms in Eastern Europe call for "a continued, perhaps even intensified, effort for the 12 to integrate."

His remark was widely interpreted as an embarrassment for Thatcher, who has moved cautiously toward integration to protect British sovereignty.

The President called Thatcher after her office alerted the White House to coverage of his remarks.

"He telephoned me shortly before I came into the House to say that his views of European integration had not changed in any way and there was no change in his position, which is for full completion of the single market in 1992 and for an open and liberal Europe," Thatcher told the Commons Tuesday. (Karin Davies, UPI)

THATCHER SURVIVES LEADERSHIP CHALLENGE

LONDON -- Prime Minister Thatcher survived the first challenge to her leadership of the Conservative Party in 14 years Tuesday, decisively beating a fellow Conservative who disliked her attitude toward the EC.

Thatcher defeated Sir Anthony Meyer by a vote of 314 to 33, with 24 abstentions, said Member of Parliament Cranley Onslow, chairman of the committee that oversaw the vote....

"I'd like to say how very pleased I am with this result, and very pleased that I have the overwhelming support of my colleagues in the House and of people from the party in the country," Thatcher said.

(Karin Davies, UPI)

GENSCHER MOVES TO REASSURE SOVIETS ON REUNIFICATION

MOSCOW -- West German Foreign Minister Genscher Tuesday assured Soviet President Gorbachev that Bonn considers the issue of German reunification inseparably linked to the ending of the East-West division of Europe.

As a press conference here Tuesday, Genscher said he discussed the issue of the reunification of the two German states with Gorbachev and Soviet Foreign Minister Shevardnadze. From Bonn's viewpoint, even talking about reunification with the Soviets represents progress in view of Soviet declarations that the subject is not on the current international agenda.

Genscher said he also informed Gorbachev and Shevardnadze about a 10-point plan for German unity proposed last week by West German Chancellor Kohl, but he indicated that there had been no change in the Kremlin's basic position on reunification.

(Michael Dobbs, Washington Post, A20)

COMMUNISTS LOST MAJORITY IN CZECH REGION'S CABINET

PRAGUE -- The Communist Party's monopoly on power came to an end Tuesday in Czechoslovakia's largest state when nine non-communists, including several political neophytes, were named to the 17-member cabinet of the Czech republic.

The shakeup was announced after four days of negotiations between party officials and top representatives of Civic Forum, Czechoslovakia's mass democratic movement. Vaclav Klaus, an economist and leading strategist for Civic Forum, called the results "a step in the right direction."

While the new Czech cabinet was the first since 1948 to have a non-communist majority, most of the key position remained in the party's hands. These included the posts of prime minister, first deputy prime minister and ministers of finance, interior and agriculture. Four other posts went to the Socialist and People's parties, communist allies that have recently begun to show signs of independence.

(Dan Morgan, Washington Post, A1)

HONECKER DETAINED IN E. BERLIN

Secret Police Chiefs Resign As Probe Of Graft Expands

EAST BERLIN -- Former East German communist leader Honecker and other senior officials were placed under house arrest and top administrators of the state secret police resigned Tuesday amid a public storm over corruption.

As crowds of East Germans surrounded secret police headquarters in several cities in attempts to prevent possible disappearance of incriminating documents or illicit cash, Deputy Prosecutor General Harri Harrland said Honecker and other former party officials had been confined to the once-exclusive Wandlitz government compound near East Berlin.

The 77-year-old Honecker, who reportedly is in failing health, has not been charged with any crime, but is blamed by many East Germans for widespread corruption in the party and government....

Officials announced the resignation Tuesday of state Prosecutor General Guenter Wendland together with his deputy, Karl-Heinrich Borchert. A holdover from Honecker's rule, Wendland was apparently blamed for the state's failure to move aggressively on corruption charges.

(Jackson Diehl, Washington Post, A1)

CHINA SIGNALS MIXED REACTION TO U.S.-SOVIET SUMMIT

BEIJING -- China Wednesday released its first official reaction to the U.S.-Soviet summit but conflicting commentaries indicated disagreement over what Beijing's assessment should be.

The Official New China News Agency compared relations between Washington and Moscow to the "raging gales and choppy waters" of the Mediterranean where President Bush and Soviet leader Gorbachev met off the island of Malta.

"While trumpeting on 'detente' during the summit, the two leaders have hardly eliminated the deep-rooted divisions and suspicions between them," the agency said in a commentary headlined "A Summit On Rough Seas." ... In contrast, the Communist Party newspaper People's Daily headlined its more optimistic analysis "Important step in the adjustment of U.S.-Soviet relations."

Although no concrete agreements emerged from the meetings, it said, the talks were wide-ranging and the two sides tried to find common points of interest, "pushing U.S.-Soviet relations toward a new era."

(Reuter)

PHILIPPINES/NATIONAL EMERGENCY

MANILA -- President Aquino on Wednesday declared a state of national emergency throughout the Philippines.

Aquino issued the proclamation on the sixth day of the most serious armed bid to topple her nearly 4-year-old government. The announcement came as an estimated 400 rebel soldiers continued to hold Manila's financial district and another 400 held a military base on Cebu Island. (AP)

U.S. SAYS AMERICANS FREE IN PHILIPPINES

Americans who had been trapped in Manila hotels besieged by rebel Philippine forces have been evacuated and are free Wednesday, U.S. officials say.

"We believe that all the Americans who wished to leave have done so," a State Department official asked to remain anonymous said early Wednesday.

"We can't be certain, in this kind of situation, that there weren't some who wanted to stay, for one reason or another," the official said. But, he added, "Everyone who was there had the chance to leave."

U.S. Embassy and Philippine authorities said 164 Americans were out safely, and that the evacuation appeared complete. (AP)

PENTAGON READIES RESCUE OPERATION

Military contingency plans have been prepared to free Americans caught in the cross fire of Philippine and rebel troops, according to Bush Administration officials who remained hopeful that all the captives would be released and President Aquino could negotiate a settlement.

As the planning continued Tuesday night, government and rebel forces declared a temporary cease-fire and started evacuating Americans and other foreigners from the embattled Makati financial district in Manila. A complete evacuation was expected by midday.

While President Bush remained committed to Aquino's efforts, the Pentagon and White House were forming rescue plans that call for the use of American Marines trained in anti-terrorist tactics, Administration officials said. (Paul Bedard & Rowan Scarborough, Washington Times, A1)

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FOREIGNERS IN MANILA EVACUATED Cease-Fire Frees Thousands Trapped In Financial District

MANILA -- Rebel Troops occupying the capital's commercial district and the government reached a temporary cease-fire early Wednesday, allowing hundreds of trapped foreigners to begin leaving the luxury hotels and high-rise condominiums where they have been trapped since Saturday. It was unclear whether an estimated 215 Americans said to be in the area were among those being evacuated.

Rebels were reportedly allowing buses -- two at a time -- to ferry foreigners from the hotels facing Manila's Makati district to a staging area nearby.

"I just want to report that we have successfully evacuated the tourists and the guests here at the Manila Garden," said Narzalina Lim, an undersecretary of tourism, AP reported. "I hope the other hotels will follow suit."
(Keith Richburg, Washington Post, A1)

U.S. SEES NO HOSTAGE SITUATION

U.S. officials said Tuesday that the coup attempt in the Philippines poses a continuing danger to more than 200 Americans pinned down by the fighting in Manila, but they added that the U.S. has seen no credible sign that rebel troops might try to use the Americans as hostages.

As troops loyal to President Aquino struggled to put down the most serious challenge to her presidency since she took office in 1986, officials here acknowledged that the Americans caught in hotels and offices in the Manila financial district held by rebel soldiers were, as one official put it, "in harm's way and could be at considerable risk if the fighting intensifies."

But White House and State Department sources said that, as of Tuesday night, they had no evidence to back up persistent reports from Manila that the rebels might take the Americans hostage to enforce their demands on Aquino or in reprisal for U.S. warplanes helping Aquino to counter the coup.

Asked whether the Administration believes the Americans are hostages, State Department spokesman Boucher replied: "No we don't -- not in the sense of being held captive. However they are unable to move because of the fighting going on around them.... Our embassy has tried to get word to them that it is too dangerous to go out and that they should stay where they are for now."

(John Goshko, Washington Post, A21)

CONTRAS IGNORE DEMOBILIZATION DEADLINE

TEGUCIGALPA -- Thousands of armed Contra rebels remained in Honduras Wednesday, defying the deadline for voluntary demobilization called for in the most recent Central American peace accord, a rebel spokesman said....

Luis Fley Gonzalez, Contra spokesman and member of the rebel high command, said the guerrilla forces had adopted a wait-and-see attitude and had no immediate plans of leaving Honduras until after the Feb. 25 Nicaraguan national elections.

Fley said the Contras had decided to ignore the deadline because the Soviet-backed Sandinista government of President Ortega had yet to comply with the Tela accord. Fley said the rebels would not disarm and disband until the Sandinistas agreed to release political prisoners and reinstate the recently suspended cease-fire.
(John Otis, UPI)

U.S. CITIZENS CONTINUE TO SUPPLY THE CONTRAS

Private U.S. Contra supporters are continuing to send weapons and supplies to the Nicaraguan rebels despite increased efforts by the superpowers to shut down Central American arms flows.

"They are low on ammunition, but they're getting enough to live up to their threats to do a lot of damage," said Herbert Humphries of Memphis, former leader of the paramilitary Civilian Military Assistance. He recently returned from 10 days at a Contra base in Honduras....

U.S. law prohibits private citizens from shipping arms to foreign belligerents, the Justice Department said. Shipment of humanitarian aid is permitted. "If this is true, the Justice Department may need to properly investigate it," said Sen. Kerry. (Tom Squitieri, USA Today, A4)

GUNMEN MURDER MEDELLIN JUDGE WHO HEADED DRUG PROBE

BOGOTA -- A Medellin judge who led an investigation into rural cocaine processing laboratories was killed in a hail of bullets on a street Tuesday by gunmen who fled in two automobiles, police said.

The assassination came as a Colombian aviation official said U.S. and Colombian experts had concluded that a bomb the Nov. 27 crash of an Avianca airliner that killed 111 people.

Judge Bernardo Jaramillo Uribe was driving to his office Tuesday when attackers in two cars cut him down with automatic gunfire, police said. (Joseph Coleman, UPI)

COLOMBIA LAYS CRASH TO BOMB

The Colombian government announced Tuesday that the Avianca airliner that crashed last week outside of Bogota and killed all 107 people aboard had been destroyed by a bomb that apparently was hidden under a seat shortly before it took off.

U.S. officials said it may represent a brazen escalation by Colombia's Medellin cocaine cartel in its war against the government.

(Michael Isikoff, Washington Post, A20)

LAWMAKERS PROTEST WHITE HOUSE STANCE ON U.S. WOMAN HELD IN EL SALVADOR

Twenty-eight senators and congressmen Tuesday took the Bush Administration to task for official statements that they said appeared to assume the guilt of a 28-year-old American church worker arrested last week by Salvadoran security forces who discovered a cache of arms and ammunition buried in her yard.

Jennifer Casolo was arraigned before a military court in San Salvador late Tuesday, charged with possession of weapons of war under stringent recently enacted anti-terrorism measures, AP reported.

"The accusations against me are false," she said as she left the court. "This is a first step, and the rest will be decided by the long judicial process here."

Casolo spent more than four hours behind closed doors making a sworn deposition to the military judge, Guillermo Romero Hernandez, the report said.

In a letter delivered Tuesday to President Bush, the senators and congressmen criticized the Administration for "representations by U.S. officials which presume guilt which has not been proven in a court of law."

(Ross Gelbspan, Boston Globe)

Wednesday, December 6, 1989 -- A-11

U.N./PLO

U.N. -- The president of the General Assembly asked Arab and non-aligned nations on Tuesday to abandon their attempt to raise the status of the PLO to that of a non-voting observer state.

Maj. Gen. Joseph Garba of Nigeria, the assembly president, at the same time chided the U.S. for threatening to withhold dues payments to the U.N. if the measure passes.

"The United States' contribution to the budget cannot in any way be linked to anything that happens in the General Assembly.... It is a debt...and not a loan...or charity," he said. (AP)

EDITOR'S NOTES: "Bush's List Of Proposals To Improve U.S.-Soviet Relations" appears in the Washington Post, A25.

"Democrats, GOP Vie For Hearts Of East European Ethnic Groups," by Donald Lambro, appears in the Washington Times, A5.

"Drug War Stalled In 2 Key Countries," by Joseph Treaster, appears in the New York Times, A13.

"Include Navies In Arms Talks, Some In NATO Urge," by Steven Prokesch, appears in the New York Times, A17.

"U.S. And Canada In Accord On Speeding Up Tariff Cuts," by Clyde Farnsworth, appears in the New York Times, D1.

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NATIONAL NEWS

OMB OPPOSES LOCALIZING DRUG FUNDS

In what is shaping up as a key test of the Bush Administration's commitment to the drug war, national drug control director Bennett has proposed spending over \$700 million for state and local anti-drug grants next year -- an increase of more than 50 percent that is meeting stiff objections from OMB Director Darman, according to Administration officials.

Bennett contends that sharp increases in funding for local governments are needed to combat drug-related violence in the nation's cities. In the updated anti-drug strategy he is preparing as a follow-up to the one announced by President Bush in September, Bennett plans to focus more attention on the role of local governments and seek to prod them into taking tougher and more innovative steps to fight the drug trade at the grass-roots level, Administration officials say.

But OMB officials contend Bennett may be committing the Administration to open-ended funding of local law enforcement budgets, officials say. In addition, Justice Department officials have expressed concerns that continued increases in the program may eventually force cutbacks in other federal programs, including investigations and prosecutions of major drug trafficking organizations.

(Michael Isikoff, Washington Post, A16)

OMB'S 'HIGH RISK LIST' DETAILS VULNERABLE PROGRAMS

The OMB's secret "high risk list" was made public Tuesday, containing 73 government programs that threaten to cost taxpayers billions of dollars unless serious management weaknesses are corrected.

The list was compiled after OMB Director Darman met with top departmental management officials last summer in an effort to prevent the eruption of another scandal like that at the Department of HUD. It was released Tuesday by Sen. Glenn, who said he wanted to ensure that "warning signs are heeded."

The list features at least one troubled program from every department, plus three each from the EPA and NASA. Making the list does not mean that money has been stolen, only that management controls and accounting procedures are not good enough to prevent it.

(Judith Havemann, Washington Post, A4)

ECONOMISTS FORESEE ECONOMIC SLOWDOWN SHORT OF RECESSION

The U.S. economy will continue to weaken next year but avoid a recession and any substantial change in unemployment, the nation's top business economists predicted Wednesday.

The National Association of Business Economists said a survey of its members found 62 percent expecting no recession for the next three years.

But the forecasters' optimism was tempered by considerable concern about the short-term outlook; Nearly 20 percent of the respondents said a recession will occur either by the end of the year or during the first three months of 1990, ending an unprecedented peacetime economic expansion that began its eighth year this month.

(John McClain, AP)

EDITOR'S NOTE: "'New Democrats' Ride To Battle On Old War Horses," by Valerie Richardson, appears in the Washington Times, A1.

-end of A-section-

NETWORK NEWS SUMMARY

(Tuesday Evening, December 5)

PHILIPPINES

ABC's Peter Jennings: It's already Wednesday morning in the Philippines, and for another day thousands of foreigners and thousands of Philipinos are wondering whether today they'll be able to escape from the danger zone in which they're trapped. Rebel soldiers trying to overthrow President Aquino still have the upper hand in the heart of Manila's financial district, which is called Makati. They have it, in part, because those forces loyal to the government have still not moved against the rebels primarily because the rebels still have the foreigners.

ABC's Mark Litke reports from Manila on the fighting in Makati where government forces are clearly moving cautiously because of the 2,000 foreign guests still trapped in occupied hotels. Several times, Philippine officials met with rebels and tried to negotiate an evacuation of the foreigners. Each time, however, the talks collapsed and the shooting resumed. Reporters met with rebels, who seemed confident and were clearly well-armed. Their commanding officer said they are prepared to fight on until President Aquino resigns. He also insisted that the foreigners were not being held hostage. Foreigners said they do not feel threatened inside their hotels because of the heavy gunfire out on the streets.

ABC's Bill Redeker reports on the fighting in Manila and the effect it has had on the Philippine people and economy. The economy is now expected to experience negative growth in the year ahead and the stock market has been closed since last Friday; there is growing fear that foreign investors will abandon the politically unstable Philippines. The military, already fractured, could split even further because of the trouble Aquino has had in ending the stand-off. She is already viewed as soft on the communist insurgency in the countryside and army officers complain of graft and corruption in her cabinet.

ABC's John WcWethy reports from the State Department that minutes after arriving home from the Malta summit last night, President Bush called Corazon Aquino on the telephone to praise her for how she is dealing with the uprising.

(TV coverage: President arriving on South Lawn of White House.) According to the White House, Aquino did not ask for additional military help and the President did not offer any. The U.S. has been urging the Philippine military not to use indiscriminate force against the rebels.

(Richard Boucher, State Department spokesman: "We greatly appreciate the restraint demonstrated so far by the Philippine government forces in light of our expressions of concern about the safety of Americans in the area.")

As to reports that Americans might be singled out by the rebels for tougher treatment,

(Boucher: "All I can is, really, that there is no indication that we have that Americans have been the targets of attacks.")

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McWethy continues: Though there are questions within the U.S. government about just how effective Corazon Aquino has been as president, officials say the Bush Administration plans to back her every step of the way because she was, after all, elected president.
(ABC-Lead)

NBC's Tom Brokaw: Two hundred Americans are among those still trapped tonight by the Philippino rebellion that will not end in the heart of Manila. President Bush has talked to President Corazon Aquino about their safety and White House spokesman Marlin Fitzwater says the Pentagon has lots of contingency plans. But senior Pentagon officials say there are no rescue efforts in the works.

NBC's Keith Miller reports that negotiations to provide safe passage for the foreigners collapsed early this evening. Government officials said they could not meet rebel demands for a cease-fire before nightfall, when it would be too dangerous to move civilians. The government took the initiative in negotiations with rebel leaders. Rebel leaders said the foreigners were free to leave anytime they want to. Foreigners did not feel that it was safe to leave, however. The Makati financial district is still the scene of intense fighting.
(NBC-Lead)

Brokaw reports that Philippine military officials have now reached a cease-fire with rebel troops holding the area where hundreds of Americans are trapped. Tourists have begun to leave the hotels where they were trapped. The government said it is negotiating a rebel surrender.
(NBC-9)

CBS's Dan Rather: This morning in the Philippines the battle of Manila is going into a sixth day, no quick end in sight. Government troops today shot their way toward rebel strongholds in the financial district of Manila, but the assault was held back by the presence of hundreds of Americans along with other foreigners in the line of fire. At least 75 people have been killed, more than 500 wounded so far. And another casualty is the prestige of the United States-backed Aquino government.

CBS's John Sheahan reports from Makati on the fighting there. A guerrilla source said that dissident soldiers may release Asians and Europeans but hold Americans in retaliation for American intervention in the fighting.

(Col. Raphael Galvez, rebel commander: "The Americans should...learn how to keep away from the internal affairs of a sovereign nation.")

Aquino becomes more and more a hostage to her own divided army. She has weakened her public support by accepting the help of U.S. warplanes, and now, we're told, she may be pushed to imitate her predecessor, Ferdinand Marcos, by declaring martial law and assuming dictatorial powers.

Rather asks Sheahan: How deep does this anti-American sentiment go about the air cover provided?

Sheahan: When the attempted coup started, the U.S. had friends on both sides. These elite units that have defected were among the most pro-American. Now they've turned 180 degrees against the United States. People in the street say they always thought American weapons would be used only to defend the Philippines against an invasion from outside -- never for intervention inside their country -- and many of them are angry at America.

Rather reports that American troops are pouring into the big U.S. naval base at Subic Bay. This indicates President Bush's concern over the safety of Americans in Manila.

CBS's David Martin reports from the Pentagon that most of a U.S. Marine amphibious group with some 2,000 Marines is now in port at the Subic Naval Base or just off the coast. If Americans have to be rescued, the Marines could be flown into Manila by helicopter very quickly. In addition to the Marines, two aircraft carriers are standing off the coast. But as of this moment, there is no indication that those or any other American forces are about to be sent into action. There is great reluctance within the Bush Administration to do anything that would smack of U.S. intervention for fear it would add to the perception in the Philippines that Mrs. Aquino is an American lackey.

CBS's Bill Plante reports from the State Department that President Bush called Mrs. Aquino last night to express his concern.

(TV coverage: President stepping off Marine One on South Lawn.)

The White House says she assured him her army would exercise caution in trying to free the Americans and other civilians trapped by the fighting. U.S. officials maintain that the Philippine military has the situation under control. Sources do say that President Aquino has been told, if you need more military help, just ask. But the hope here is that the foreigners will be released through negotiations and, in fact, there are unofficial reports of Americans calling out of their hotels that the evacuation may be already under way.

(CBS-Lead)

EAST GERMANY/HONECKER

ABC's Jerry King reports on the house arrest of Erich Honecker and the rest of the Politburo which resigned in mid-October. Arrested tonight was the country's most famous lawyer, Wolfgang Vogel, who was charged with blackmail. The outcry after a former top trade official now wanted for arms trafficking and fraud escaped the country Sunday was so great that East Germany's prosecutor and his deputy both resigned; and tonight, so did the entire leadership of the security police. Tonight, workers leaving the Communist Party headquarters were being searched in an attempt to prevent anyone from taking out what could be incriminating evidence of corruption.

(NBC-2, ABC-4)

CBS's Tom Fenton reports that in addition to their luxury homes and Swiss bank accounts, the country's leaders are alleged to have been involved in currency deals and arms smuggling worth hundreds of millions of dollars. People broke into police headquarters in a number of cities last night; they had heard rumors that police were preparing to sneak large sums of money out of the country.

(CBS-2)

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GERMAN REUNIFICATION/GORBACHEV/GENSCHER

Jennings reports that the Soviets talked about German reunification during West German Foreign Minister Genscher's visit with Gorbachev. The Soviet position hasn't changed, though. (NBC-3, ABC-5)

SOVIET UNION/ADMINISTRATION OPINION

Brokaw: Vice President Dan Quayle was quoted by the Washington Post today as saying that the Soviet government still is totalitarian and its foreign policy has not changed much. Yesterday, however, President Bush said the West must adopt new thinking towards the Soviets. The White House insisted today there is no real difference between the views of the two men -- just a difference of perspective, as they put it. (NBC-10)

Rather: The White House spokesman played up the idea today of possible cuts in military spending if the next Bush-Gorbachev summit, as expected, produces major arms reductions. President Bush and his operation are trying to play down reports of any disagreement about the results of the Malta summit, but there are clearly different points of view -- even between the President and his own hand-picked number two.

CBS's Wyatt Andrews: On his first day back from the Malta summit, the President found the sharpest criticism of his new embrace of Gorbachev coming from his own Vice President.

(TV coverage: President sitting in Cabinet Room.)

Dan Quayle told the Washington Post the Soviets are still guilty of creating instability, especially because of arms shipments to Afghanistan and Central America. "You're still dealing with a totalitarian government," Quayle said. "I don't think they've changed much in foreign policy." The President has said he thinks the Soviets have changed.

(TV coverage: President with Gorbachev in Gorky lobby and at news conference.)

On Sunday he praised the Soviets for their policy in Lebanon and gave Gorbachev credit for encouraging events in the East bloc.

(President: "There is enormous respect and support for the way he has advocated peaceful change in Europe.")

The White House tried to write it all off as a difference in rhetoric, not policy. But Quayle gave voice to conservative critics who say the President went overboard in praise of Gorbachev.

(Paul Nitze, former arms control negotiator: "Gorbachev is a leader and a great propaganda artist, but he's not a person that we ought to marry in any sense of the word.")

The key complaint is that Mr. Bush offered trade and arms control concessions to Gorbachev but got nothing back.

(Frank Gaffney, Center for Security Policy: "He didn't have his eye on the ball, and to the extent to that he made concessions he did not get something worth them in return.")

Most galling to the conservatives is that the President said he believed Gorbachev's claim he wasn't sending arms to Nicaragua.

(Gaffney: "And he's described them as our Soviet friends even at the moment that they are making representations that are simply wrong.")

Andrews continues: The Vice President's office said today that Quayle stands by his skepticism of Gorbachev. An Administration official said Quayle sees his role here as the conservatives' voice of conscience in the White House and that the President can live with that. (CBS-4)

GORBACHEV

NBC's John Chancellor comments that Gorbachev's plan is to cut his losses in Eastern Europe, save money on defense and use trade to help the sick economy, all to keep communism alive in Russia, the mother country. There is no East European pluralism for him. So far, somehow, the plan is working -- and that's why he was smiling when he got back from Moscow. (NBC-11)

PRESIDENT/GORBACHEV/POLL

Brokaw reports that President Bush and Gorbachev continue to get high marks from the American people. A new NBC News-Wall Street Journal poll found the following:

61% have a positive opinion of President Bush.

51% think positively about President Gorbachev.

Despite Bush's statement that a new era is emerging in Soviet-American relations,

45% believe the Cold War still is going on.

40% think it's mostly over.

On possible defense cut,

43% polled think the savings should be used to reduce the deficit.

31% say to spend it on domestic programs.

21% say the money should be used to cut taxes. (NBC-12)

CZECHOSLOVAKIA

Jennings reports that the local government in the Czech Republic has been replaced and non-communists are now in the majority.

ABC's John Donovan reports that in their boldest protest yet, Prague students built a cardboard wall today outside the office of the communist prime minister -- a symbol, they say, of the political wall that already stands between the party and the people. Civic Forum today was granted their request of office space from the government. A Parliamentary commission has confirmed that police did use brutal force in breaking up student protests; charges may be brought up. The Communist Party leader announced that the Soviet invasion of 1968 was a mistake. For the opposition, however, all this is not enough. Tonight, Civic Forum announced a national strike unless more communists are removed from the nation's cabinet.

(NBC-4, ABC-6)

EL SALVADOR/CASOLO

Jennings reports that Jennifer Casolo appeared in court today. She says she didn't know of the arms cache in her backyard.

(Casolo: "We are innocent. We are confident that the truth will come to light.")

The judge has three days to decide if there is enough evidence to put her on trial. (CBS-5, ABC-2)

COLOMBIA PLANE BOMBING

CBS's Rita Braver reports that the Avianca plane crash last week was caused by a bomb. Authorities believe that drug traffickers planted the bomb.

(Brian Jenkins, terrorism expert: "Let's ask ourselves who else in Colombia would have had the motive, the means, and the opportunity -- and we don't come up with any other candidates.")

(NBC-14, ABC-3, CBS-6)

ABORTION

ABC's Brian Rooney reports on a California state senate race in which the local Catholic bishop told pro-choice candidate Lucy Killea she could no longer take communion because of her stance. Many voters have come out in support of the long-shot candidate because they believe in the separation of church and state. In Rhode Island, a diocese newspaper is refusing to run the Christmas greetings of local politicians unless they sign a letter calling for an end to abortion. Rhode Island's governor is opposed to abortion, but believes that the church should stay out of politics.

(Gov. DiPrete: "When the church then starts telling me, as the governor, or any of the legislators, that this is how we want you to formulate your conscience and act accordingly, they've overstepped their bounds.")

(CBS-9, ABC-7)

RADIOACTIVE WASTE

ABC's Barry Serafin reports on the Waste Isolation Pilot Plant (WIPP) in New Mexico. Can WIPP be operated safely?

(Rep. Synar: "Regrettably, the situation at WIPP has been...let's do it quickly, let's don't do it right. Now, they've cut corners and they haven't met the deadlines that they've set for themselves and all the solutions have been patchwork.")

WIPPs faces years of legal and environmental hurdles before it may be ready to open up for business.

(ABC-11)

LOBBYING GROUP/ABUSE

NBC's Andrea Mitchell reports that a non-profit lobbying group, the National Committee to Preserve Social Security and Medicare, has spent millions of contributors' dollars on expensive offices, fancy hotels, first-class travel, and compensation to its self-appointed board of directors. Its chairman is James Roosevelt, son of Franklin Delano Roosevelt, whose name is a magnet for the dollars of senior citizens. He appointed two associates as unpaid board members. The three then voted to raise Roosevelt's salary and pay the other two extraordinary fees; one received \$114,000 last year and one made \$124,000. They stayed in the best hotels and traveled first class. Committee staffers were shocked over these revelations.

(NBC-8)

NANCY REAGAN

CBS's Terence Smith reports that the IRS is investigating whether the Reagan's owe back taxes on hundreds of thousands of dollars that Mrs. Reagan borrowed or received as gifts during her years in the White House. The current First Lady today had a one-word comment: (First Lady, while entering car: "Ridiculous.")

(CBS-7)

-End of News Summary-

EDITORIALS/COLUMNISTS

MALTA MEETING

After Malta: A Need for Caution -- "Our influence over our allies is less than in the past. We stand at the threshold of a united Europe. Japan...now emerges as a potential economic adversary. And China stands as something of an independent actor -- a force over which neither we nor Moscow can profess a significant measure of influence. Thus the global balance of power is in flux.... It's by no means sure that global peace will more easily be kept in the world with five, rather than two, centers of power.... We have no wish to pour cold water on the spirit of good will that [was] obtained at Malta. But we continue to urge caution -- caution with respect to jumping the guns in the realm of defense cuts; caution with respect to celebrating the onset of a more peaceful era in world affairs. Celebration of this sort may well prove premature."

(New York Post, 12/5)

Stormy Seas, Placid Summit -- "The storm-tossed Malta summit ended not with a roar, not with a whimper, but with a soft purr, the harmonious resonance that had been a key objective all along.... There can be no more puerile exercise than looking for a 'winner' or 'loser' on the basis of the limited information each side disclosed after the two days of private talks. World peace is the major winner whenever leaders of the biggest nuclear powers meet and part on amicable terms."

(Chicago Sun-Times, 12/4)

Applause, Please, For the Malta Summit -- "NATO leaders seemed more than politely complimentary Monday about President Bush's summit report. We share their enthusiasm.... The reason to pursue East-West cooperation is clear: self-interest. The United States has an interest in reducing the threat of strategic weapons; Bush and Gorbachev are pushing for a treaty next June. There's a similar interest in reducing conventional forces in Europe and cutting chemical weapons; Bush and Gorbachev expects agreements on both. Americans also should want to encourage the Soviet move toward an economy that responds to market forces rather than to bureaucrats. At Malta, Bush offered to help the Soviets make that transition. Because West Europeans have similar interests and already are cooperating with the East, their leaders applaud Bush's policy. Americans have every reason to do the same."

(Minneapolis Star Tribune, 12/5)

In Malta: Good Marks, But... -- "Bush...announced publicly that he wanted to complete negotiations on a strategic arms treaty before the next summit, scheduled for June. Why throw away so valuable a card in return for nothing? ...Bush also seems to have dealt away a lot of other negotiating cards, such as most-favored-nation trading status for the Soviets, without getting any major concessions in return. Gorbachev lied to Bush about Nicaraguan arms sales to the El Salvadoran rebels. Bush declined to call him on it. A bad move.... Bush's proposals made the front pages. Gorbachev, the master of favorable publicity, finally took a back seat to the leader of the free world. But in order to get that result, it looks as if Bush threw more than a little bit of his celebrated caution to the winds. He must tighten things up before June."

(New York Daily News, 12/5)

A Conversion At Sea -- "Bush was candid enough to concede that Gorbachev's orchestration of the historic changes in Central Europe 'absolutely mandates new thinking' in Washington. This was the president's slightly clumsy way of saying he entered office skeptical of Gorbachev's true intentions, but the swift, peaceful revolutions in Poland, Hungary, East Germany and Czechoslovakia have made him a believer. Judging by his allusions to persisting differences over Central America, the president harbors a residual anxiety about criticism from domestic cold warriors. He also retains a characteristic reluctance to make predictions. Nonetheless, Bush rose to his responsibilities as a statesman when he told the world that he recognized his obligation to answer Gorbachev's new thinking with new thinking of his own.... The new substance of the president's policy is well suited to his old, prudent style."

(Boston Globe, 12/5)

At Malta, Steps Towards Normalcy -- "It hardly looked like a superpower summit at all. From the tone of the meetings and the demeanor of the two presidents, it could have been a routine consultation between two governments that have differences but are nonetheless friendly. In that mundane fact may lie the real importance of the Malta conference: Soviet-American relations are moving toward normalcy.... On the military side, Bush wisely avoided the temptation to strive for some eye-catching breakthrough. Though he agreed to a brisk timetable for wrapping up talks on both nuclear arsenals and conventional forces, he left the business of working out an agreement on messy details to the negotiators. While publicly giving Gorbachev the benefit of the doubt on the Soviet-made arms that have ended up in Central America, the President also made clear that this sort of troublemaking will prevent the cooperation that the Kremlin wants."

(Chicago Tribune, 12/5)

The Issue Is Joined -- "Malta could go down in history as the meeting that begins a new relationship between Washington and Moscow, East and West. It sets the Bush Administration's agenda for the next three years by proposing a new trade relationship with Moscow, integration of the USSR into the world trading system, nuclear and conventional arms control agreements and a newly constituted Europe.... Bush's proposals document a dramatic metamorphosis for the administration.... Bush has not only embraced Gorbachev, he has set out a realistic set of goals for the two of them to achieve together."

(New York Newsday, 12/4)

Football and Summitry -- "At first, we felt a little guilty about being far more interested in football than summitry on Sunday afternoon. Here were the leaders of the United States and the Soviet Union agreeing that the Cold War was really, really over, and our primary concern was whether the Eagles could contain the fleet-footed Dave Meggett. The football game...had all the elements that the summit lacked: unremitting conflict between two fierce rivals with the outcome always in doubt.... Unlike some of the Reagan-Gorbachev encounters, there was never any tension to this one.... Frankly, seeing Mikhail Gorbachev sitting across the table from Pope John Paul II Friday...was more stirring than seeing him bantering two days later with his new pal George. Don't get us wrong. We're more than happy to be bored to tears by the two men who have the power to reduce the world to ashes if they get into a snit. But on Sunday we couldn't help but feel thankful that peace will not soon break out on the football field."

(Philadelphia Inquirer, 12/5)

FOREIGN MEDIA REACTION

MALTA MEETING

"Caution, Restraint and Realism"

"By no means succumbing to euphoria, both sides are displaying caution, restraint and a sense of realism as shown by the joint press conference given by M.S. Gorbachev and G. Bush, and are not concealing their differences on a number of issues, particularly in their approaches to the problems of Central America.... But one can say that they are civilized differences, when while disagreeing on something, they look for points of understanding and seek to reduce rather than increase these differences. This, in my view, is how one should assess the general outcome of the...meeting." (Izvestia, Soviet Union)

"What A Nice Summit"

"It appears that the two men, in their first 'serious' encounter, got along fine together. The American President, who is far from having his predecessor's charisma, passed his first summit test with flying colors, faced with a negotiating partner -- we can longer call him an adversary -- who is a past master in this area.... Whereas at Reykjavik...differences were glossed over diplomatically, in Malta a spade was called a spade. For example, there wasn't 'the ghost of an agreement' on naval disarmament; and as regards Central America, Washington made no secret of its determination to prevent Nicaragua from exporting revolution, while Gorbachev said he 'understood' American concerns. This new manner of speaking is certainly encouraging." (La Suisse, Switzerland)

"Bush Is the Most Important Figure Since Harry Truman"

"Clearly a great responsibility rests on Bush. To West European democracies he is the most important figure since Harry Truman or even Winston Churchill, one of the men at Yalta."

(Sydsvenska Dagbladet, Sweden)

"Bush Enjoys Sweet Taste of Success"

"President Bush...had reason to be pleased.... For the first time at a meeting with President Gorbachev, America has made the running. The Soviet leader offered none of the headline-grabbing initiatives that have become his summit hallmark." (Ian Brodie, Daily Telegraph, Britain)

"Bush Talks About 'Our Friends' Now"

George Bush gave assurances that he struck a good personal relationship with Mikhail Gorbachev. U.S. TV coverage from Sunday morning did not quite support this view.... Although Gorbachev was trying to appear a bit less flashy at this summit, he was still the more flamboyant and dynamic person in comparison with Bush, who was stiffly trying to appear smiling and happy. The real moving power in Moscow-Washington relations seems to be James Baker and Eduard Shevardnadze."

(Siegfried Maruhn, General-Anzeiger, West Germany)

THE WHITE HOUSE
WASHINGTON

DATE: 12/6/89

TO: THE PRESIDENT

FROM: DAVID Q. BATES
Assistant to the President
and Secretary to the Cabinet

Attached, per your request,
is the prayer that Ambassador
Hill delivered at the Cabinet
Meeting on Tuesday, December 5.

Attachment

Daily
file

Bush Library Photocopy
George Bush Handwriting

Photocopy from George Bush Presidential Library

THE UNITED STATES TRADE REPRESENTATIVE
Executive Office of the President
Washington, D.C. 20506

O Lord, our Governor, we thank Thee for the safe return of our President and those traveling with him from the meetings in Malta and Brussels.

Bless all the leaders of our land that we may be a people at peace among ourselves and a blessing to all the people of this earth.

Keep this nation under Thy care.

Grant to our President, the members of his Cabinet, and to all those in authority, wisdom and grace in the exercise of their duties; and

Fill them with the love of truth and righteousness.

AMEN.

THE WHITE HOUSE
WASHINGTON

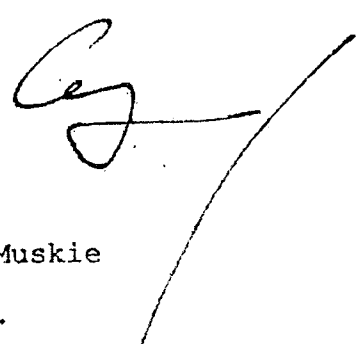
December 6, 1989

Dear Ed:

Thank you very much for your report on the activities of the Presidential Observer Delegation to the Elections in Namibia. I deeply appreciate your willingness to take on this assignment for me at such short notice.

You undoubtedly remember that the Namibian independence process was begun while President Carter was in office. Your leadership of the bipartisan Observer Delegation was recognition of the significant triumph for American foreign policy represented by that epochal event.

We all hope that democracy will now take hold in Namibia and that it will serve as an example for the entire continent, and indeed, the world, in its transition to freedom and independence as the newest member of the world community.

Warmest Personal Sincerely,
Regards - 

The Honorable Edmund S. Muskie
Chadbourne and Parke
1101 Vermont Avenue, N.W.
Washington, D.C. 20005

891207

NATIONAL SECURITY COUNCIL

ID 8909393

REFERRAL

DATE: 07 DEC 89

MEMORANDUM FOR: WH STRIPPING DESK

DOCUMENT DESCRIPTION: TO: MUSKIE, EDMUND

SOURCE: PRESIDENT

DATE: 06 DEC 89

SUBJ: RESPONSE TO MUSKIE LTR

REQUIRED ACTION: FOR DISPATCH

DUE DATE:

COMMENT:

FOR GEORGE VAN ERON
DIRECTOR NSC SECRETARIAT

**National Security Council
The White House**

PROOFED BY: LF LOG # 9393
 URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT
 BYPASSED WW DESK: _____ DOCLOG DD AIO _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Dep Exec	<u>1</u>	<u>W</u>	<u>A</u>
Philip Hughes	<u>2</u>	<u>APB</u>	
Bob Gates	<u>3</u>	<u>8</u>	
Brent Scowcroft	<u>4</u>		
Philip Hughes			
Situation Room			
West Wing Desk	<u>4</u>	<u>CM 12/4</u>	<u>D</u>
NSC Secretariat			

A = Action I = Information D = Dispatch R = Retain N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____
 (Date/Time)

COMMENTS

Bob:
 Recommend you initial. *[Signature]*

Presil Ltr to Marshall

*Returned of
 get to the
 discussion
 with you
 Good*

National Security Council
The White House

PROOFED BY: RL LOG # 9393
URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT
BYPASSED WW DESK: _____ DOCLOC PR A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Dep Exec			
Philip Hughes	<u>5</u>	<u>APX</u>	<u>A</u>
Bob Gates			
Brent Scowcroft			
Philip Hughes			
Situation Room			
West Wing Desk	<u>6</u>		<u>D</u>
NSC Secretariat	<u>7</u>		<u>D</u>

A = Action Information D = Dispatch R = Retain N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____
(Date/Time)

COMMENTS

DATE: Dec 6

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 8909393
RECEIVED: 21 NOV 89 14

TO: MUSKIE, EDMUND

FROM: PRESIDENT

DOC DATE: 06 DEC 89
SOURCE REF:

KEYWORDS: NAMIBIA

CONGRESSIONAL

PERSONS:

SUBJECT: THANK YOU LTR & RPT RE ASSIGNMENT TO LEAD PRES OBSERVER DELEGATION
TO ELECTIONS IN NAMIBIA

ACTION: PRES SGD LTR

DUE DATE: 24 NOV 89

STATUS: C

STAFF OFFICER: PASSAGE

LOGREF:

FILES: WH

NSCIF:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

KAEUPER
MILLER

COMMENTS:

DISPATCHED BY RCW DATE 12/7 BY HAND W/ATTCH

OPENED BY: NSJWF

CLOSED BY: NSRCB

DOC 5 OF 5

UNCLASSIFIED

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 8909393
RECEIVED: 21 NOV 89 14

TO: PRESIDENT

FROM: MUSKIE, EDMUND S

DOC DATE: 20 NOV 89
SOURCE REF:

KEYWORDS: NAMIBIA

PERSONS:

SUBJECT: THANK YOU LTR & RPT RE ASSIGNMENT TO LEAD PRES OBSERVER DELEGATION
TO ELECTIONS IN NAMIBIA

ACTION: PREPARE MEMO FOR PRES

DUE DATE: 24 NOV 89

STATUS: S

STAFF OFFICER: PASSAGE

LOGREF:

FILES: WH

NSCIF:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION
PASSAGE

FOR CONCURRENCE
MILLER

FOR INFO
HUGHES
SCOWCROFT

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSJWF

CLOSED BY:

DOC 1 OF 1

UNCLASSIFIED



102982

WH002-02

Dec. 6, 1989

Dear Marshall,

That was a beautiful
letter you sent us. It was a
joy having you up there.

This weekend
we have a double
feature — 1 — The New
Babar movie 2. Peter
Rabbit. After your last
suggestion I don't dare
go with "Bambi" —

Love from all Bushes —

CB/

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

891212

Ms. Marshall Persinger
1226 Park Avenue
Apartment 17A
New York, New York 10128

THE WHITE HOUSE
WASHINGTON

Dec. 1, 1989

Dear President and Mrs. Bush,

Who else could I write to on this lovely stationery that Marvin gave me from Camp David? I just wanted to thank you for every great minute at Camp David last weekend - except for the 98 minutes that we watched "STREET SMART" - I still get mortified when I think of all the movies in the world and that's the one I pick to recommend. Y'all were such great spots as usual.

It was great meeting everyone up there. I'm so glad I got to see Doro who is one of my favorite people. She's so down to earth and I know her new life, even though the prospect is scary, will be so good in Washington.

Mrs. Bush, you looked wonderful when hanging the star - There was plenty of room in your suit - even for a couple of those cute children. That was a real trip to do. Thanks for including us in that, too. I can't believe you never said anything about going to MAYO's the next day. I hope everything is okay. It's just not fair for you to have any worries about health. You bring so much to everyone. You are such inspiration to so many people - especially me - but you should hear what everyone says about your being such a good & special person - the best first lady ever - that's from me & hearing

102077
HE001-02

THE WHITE HOUSE
WASHINGTON

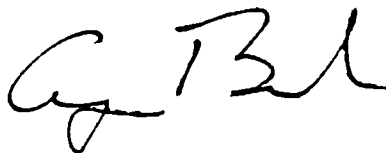
December 6, 1989

Dear Lou:

I just got back from my visit with President Gorbachev in Malta, and I appreciate the information you conveyed about your meetings with people from the Soviet Union. I know my staff here have been in touch with you and that we have had some participation with your Conference.

A lot of good things are happening.

Sincerely,



Mr. Louis Bantle
Chairman and
Chief Executive Officer
U. S. Tobacco
100 West Putnam Avenue
Greenwich, Connecticut 06830

89120

THE WHITE HOUSE
WASHINGTON

December 6, 1989

MR. PRESIDENT:

Andy Card recommends that
you sign this letter.

Thank you.


James W. Cicconi

THE WHITE HOUSE
WASHINGTON

1989 DEC -4 PM 1:42

December 4, 1989

MEMORANDUM FOR JAMES W. CICONI

FROM:

ANDREW H. CARD, JR. *and*

SUBJECT:

Presidential Letter to Louis Bantle

Listed below is a suggested letter to be sent to Louis Bantle, Chairman and CEO of UST, over the President's signature.

Dear Lou,

and
I just got back from my visit with President Gorbachev in Malta, I appreciate the information you conveyed about your meetings with people from the Soviet Union, ~~and~~ I know my staff here have been in touch with you and that we have had some participation with your Conference.

A lot of good things are happening.

Sincerely,
~~George Bush~~

Attachments

*Chairman & CEO
U.S. Tobacco
100 W. Putnam Ave.
Greenwich, CT 06830*

Please approve
before I put on
your

OK w/ changes.
When it comes back, pls
have note on top: "Mr Pres: The
attached was prepared per your
request." Your note and the incoming
are at TAB A. "

Thanks
Jim

11-24-89

NATIONAL SECURITY COUNCIL

AC HAS SEEN

11/24
HKT

Andy,

This is the package.
Thanks for taking care of it.

Condi Ricci

11/24 - I called Bill Roper. He will
take the lead for the WH.

(I sent a copy of this
packet to Bill Roper.)

I called Mr. Bantz and left a message on
a tape. 11/24

Bill Roper
is handling.
(I've talked to
how - so has
Bill.)

AKL

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 8909217
RECEIVED: 15 NOV 89 19

TO: PRESIDENT

FROM: BANTLE, LOUIS

DOC DATE: 02 NOV 89
SOURCE REF:

KEYWORDS: USSR

PERSONS:

SUBJECT: REQUEST FOR WH PARTICIPATION IN US - SOVIET CONF ON ALCOHOLISM

ACTION: PREPARE MEMO FOR SCOWCROFT DUE DATE: 18 NOV 89 STATUS: S

STAFF OFFICER: RICE

LOGREF:

FILES: WH NSCIF: CODES:

DOCUMENT DISTRIBUTION

FOR ACTION
RICE

FOR CONCURRENCE

FOR INFO
BLACKWILL
DEAL
GORDON
RODMAN
ROSTOW
WORKING

COMMENTS: _____

Handled by phone w/ Andy Card

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSJWF

CLOSED BY:

DOC 1 OF 1

UNCLASSIFIED

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 8909217
RECEIVED: 15 NOV 89 19

TO: PRESIDENT

SUSPENSE

FROM: BANTLE, LOUIS

DOC DATE: 02 NOV 89
SOURCE REF:

KEYWORDS: USSR

PERSONS:

SUBJECT: REQUEST FOR WH PARTICIPATION IN US - SOVIET CONF ON ALCOHOLISM

ACTION: PREPARE MEMO FOR SCOWCROFT DUE DATE: 18 NOV 89 STATUS: S
STAFF OFFICER: RICE LOGREF:
FILES: WH NSCIF: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION
RICE

FOR CONCURRENCE

FOR INFO
BLACKWILL
DEAL
GORDON
RODMAN
ROSTOW
WORKING

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSJWF

CLOSED BY:

DOC 1 OF 1

UNCLASSIFIED

**National Security Council
The White House**

PROOFED BY: _____

LOG # 9217

URGENT NOT PROOFED: _____

SYSTEM RRS NSC INT

BYPASSED WW DESK: _____

DOCLOG _____ A/C _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Dep Exec	_____	_____	_____
Philip Hughes	_____	_____	_____
Bob Gates	_____	_____	_____
Brent Scowcroft	_____	_____	_____
Philip Hughes	_____	_____	_____
Situation Room	_____	_____	_____
West Wing Desk	_____	_____	_____
NSC Secretariat	<u>1</u>	_____	<u>Staff</u>
_____	_____	_____	_____
_____	_____	_____	_____

A = Action I = Information D = Dispatch R = Retain N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____
(Date/Time)

COMMENTS

Action: Rice

89 NOV 15 12:04

THE WHITE HOUSE
WASHINGTON

11-6-89

Brent

- 1 Have reply prepared. Dear Lou
- 2 Do we want White House participation in this conference?

OTB,

UNCLASSIFIED
ACTION DATA SUMMARY REPORT

RECORD ID: 8909217

DOC ACTION OFFICER

001 RICE
002

CAO ASSIGNED ACTION REQUIRED

Z 89111519 PREPARE MEMO FOR SCOWCROFT
X 89112414 ACTION COMPLETED BY PHONE

UNCLASSIFIED

UST

100 WEST PUTNAM AVENUE, GREENWICH, CONNECTICUT 06830
Direct Dial Number (203) 622-3650

LOUIS F. BANTLE
Chairman and Chief Executive Officer

THE PRESIDENT HAS BEEN

November 2, 1989

Dear Mr. President:

While you and Mr. Gorbachev are meeting in December, we will be hosting 100 Soviets in Stamford, Connecticut. This will be the Second Soviet-American Conference on Alcoholism. The First Conference was held in Moscow last April and was attended by 90 Americans, mostly recovering alcoholics.

The Soviet leader, Dr. Levon Badalian, an Armenian, recently spent 17 days at our home in Greenwich planning the conference. We met with our mutual friend, Bob MacCauley, to discuss rehabilitation for Armenian earthquake victims.

Mr. Gorbachev is fully aware of the national epidemic of alcoholism in the Soviet Union. In 1982 one out of six Russian babies were born abnormal. By 1993 15% of their children will be attending schools for abnormal children. A letter from the USSR Academy of Science discussed in the May, 1985 Politburo session stated:

"Why wage war on us if within 12 to 15 years we shall simply have collapsed as a sovereign State? A State in which more than half of the adult population consists of alcoholics and drunkards essentially unable to function and unable to put up a defense".

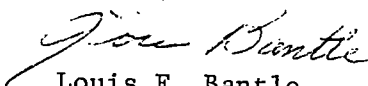
Gorbachev has tried rationing, partial prohibition, hospitalization, and all have been disastrous. Sugar is now rationed since it was used for homemade moonshine.

The 100 visiting Russians will spend five days at Treatment Centers throughout the United States such as Hazelton, Newport, Betty Ford Center, and Father Martin's Ashley in Aberdeen. All of these centers use A.A. as their role model of treatment. Beginning groups of A.A. are springing up all over Russia. We hope to convince this prestigious group of Russians that AA and its belief, is a higher power, and is the way to go.

All expenses for this upcoming Conference (sponsored by Wainwright House, Rye, New York) has been raised through Corporations and individuals. Pitney Bowes, PepsiCo, UST, Inc., and Drew Lewis of Union Pacific are leading and lighting the way.

We pray for a successful meeting between you and Mr. Gorbachev. My thanks to Pres for personally delivering this letter. We would be delighted to have White House participation in our Conference.

Cordially yours,


Louis F. Bantle



SOVIET/AMERICAN CONFERENCE ON ALCOHOLISM PART II

PARTIAL LIST OF PARTICIPANTS

CHAIRPERSONS

Levon Badalyan, M.D.
President, European Assoc. Neurologists

Father Luis M. Dolan, C.P.
Center For Citizen Diplomacy

AMERICAN EXECUTIVE COMMITTEE
Betsy Doran, CAC
Silver Hill

Anne Geller, M.D.
Smithers Center

J. Robert McDonald, CAC
McDonald Associates

David T. Nassef
Pitney Bowes, Inc.

Franklin E. Vilas, Jr., D. Min.
Wainwright House

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Irina Anokhina, M.D.
USSR Academy of Medical Sciences

Edward S. Drozdov, M.D.
Chief Narcologist of Moscow

Valentine Galkin, M.D.

Nicolay N. Ivanets
All-Union Scientific Narcological Center

Eugene I. Zenchenko, M.D.
Narcological Hospital #19

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Hazelden Foundation

Louis F. Bantle
UST

James P. Cassidy
Alcohol and Drug Abuse Council

Betty Ford
Betty Ford Center

Robert W. Fuller
UST

Monica Silfverskiold Getz
Swedish Council On Alcoholism

Tom Gibson
Porter-Novelli

Michael S. Griffin
Citizen Exchange Council

David J. Powell, Ph.D.
E.T.P. Inc.

Pat White
Center For Citizen Diplomacy

Delegation of the Soviet Peace Committee Association "Health to the World"

(November 24 - December 10, 1989)

1. Badalian, Levon O. - President, Association "Health to the World", academician, USSR Academy of Medical Sciences; head of the delegation.
2. Zenchenko, E.I. - Executive secretary, Association "Health to the World", head physician, narcological hospital.
3. Urakov, I.G. - Deputy director, All union Narcological Centre, Ministry of Health.
4. Galkin, V.A. - Chief of the Republican Narcological Centre, USSR Ministry of Health.
5. Yelufiev, A.A. - Deputy Chairman, Moscow Society for Sobriety.
6. Patsakhiya, O.G. - General director, Georgian Cellulose plant, people's deputy of USSR.
7. Drozdov, Edward S. - Head physician, narcological hospital.
8. Belkin, A.I. - Director, All union Psychiatric-Endocrinological Centre.
9. Boichenko, N.V. - Air traffic control officer, Aeroflot.
10. Gusev, E.I. - Head of Chair of Neural diseases, Moscow Medical Pirogov Institute.
11. Abretsky, G.A. - Head of pharmacology therapy dept., Moscow Scientific Research Institute of Psychiatry, USSR Ministry of Health.



SOVIET/AMERICAN CONFERENCE ON ALCOHOLISM PART II

Page 2

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E.T.P. Inc.

Pat White
Center For Citizen Diplomacy

12. Prokushev, U.V.

- State Councillor, State Education Committee.

13. Belov, V.P.

- Head of psychiatry and narcology department, Moscow Medical Stomatological Institute after Semashko.

14. Aznaurian, A.V.

- Minister of Health, Armenian SSR

15. Tunian, U.S.

- Head of Health Department, Armenian SSR Council of Ministers.

16. Belyi, V.P.

- Head of Pathophysiological laboratory, All Union Narcological Centre, USSR Ministry of Health.

17. Popov, U.V.

- Deputy Director, Leningrad psychoneurological Institute, people's deputy of the USSR.

18. Mutovin, G.R.

- Head, Head Department of Educational Institutions, USSR Ministry of Health.

19. Briun, E.A.

- Head of drug addiction and taxicomania department, USSR Ministry of Health.

20. Paleev, N.R.

- Editor-in-chief, "Medicine" journal editorial office.

21. Melekian, G.G.

- Member of the editorial board, "Izvestia" newspaper.

22. Kokuchaia, O.V.

- TV program "Vremia" (Time).

23. Ignatenko, V.

- Editor-in-chief, "New Times" magazine.

24. Pozner, V.V.

- Correspondent, State Committee on TV and Radio.

25. Scherbakov, V.N.

- Chairman, Moscow Council of Trade Unions, people's deputy of the USSR.



SOVIET/AMERICAN CONFERENCE ON ALCOHOLISM PART II

Page 3

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David J. Powell, Ph.D.
E.T.P. Inc.

Pat White
Center For Citizen Diplomacy

26. Gogol, N.V.

- "Pravda" newspaper.

27. Chkheidze, Z.P.

- Chairman, Trade Union Council,
Georgian SSR.

28. Gradsky, A.B.

- Singer, composer.

29. Khanzarian, S.

- Writer, people's deputy of the USSR,
Member of the Supreme Soviet of the
USSR.

30. Suleimenov, O.S.

- Member of the Supreme Soviet of the
USSR.

31. Sharov, L.K.

- Editor, "Sobriety and Culture"
magazine.

✓ Daily p.

THE WHITE HOUSE

WASHINGTON

December 6, 1989

Dear Mr. ^{Danny} Wall: ✓

I accept your resignation as Director of the Office of Thrift Supervision, to become effective on a date determined by the Secretary of the Treasury. I commend your willingness to remain for a period of time to assist in an orderly transition.

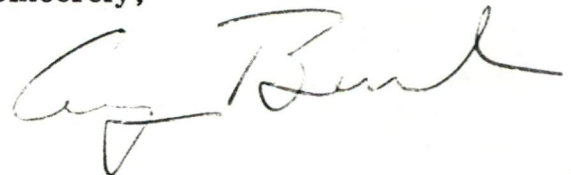
When I proposed to the Congress legislation to restructure and restore public confidence in the thrift industry, we recognized the immensity of the task ahead and the need for the full concentration of our efforts on its accomplishment. An important element of our recovery plan was the creation of the Office of Thrift Supervision to administer the tough new capital and other regulatory standards governing the industry.

As the first Director of the Office of Thrift Supervision, you served during the important organizational phase of the new agency. I thank you for your hard work in that position, and for your unselfish recognition that the job of revitalizing the industry demands the complete and undistracted attention of the agency's entire leadership and staff.

In closing, I also want to note my appreciation for your comments on behalf of the many dedicated employees of the Office of Thrift Supervision who are working long hours to restore soundness to our Nation's savings and loan industry.

Best wishes for your future endeavors.

Sincerely,



The Honorable M. Danny Wall
Director
Office of Thrift Supervision
Department of the Treasury
Washington, D.C. 20552



Office of Thrift Supervision
Department of the Treasury

M. Danny Wall
Director

1700 G Street, N.W., Washington, D.C. 20552 • (202) 906-6280

December 4, 1989

President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

I am proud of my tenure both as Chairman of the Federal Home Loan Bank Board and as Director of the Office Thrift Supervision. And I am particularly proud of those who worked with me to help carry out "this thankless, and perhaps impossible, task," as a member of Congress characterized it during early hearings on our efforts to tackle thrift problems.

The Board when we arrived in July 1987 was moribund. Morale was low, most senior positions stood vacant, many seasoned staff had left or were leaving, the insurance fund was bankrupt, case resolution had been halted and public confidence, badly shaken by daily reports of thrift failures, was at a low ebb.

Quickly, an executive staff, each member respected in their field, was recruited; the Board was reorganized under this new leadership; institutions on the verge of collapse were stabilized while funds were being sought from Congress to begin rehabilitating the thrift industry, and we began the task of trying to identify the true scope of the thrift problem.

Like archaeologists trying to determine the reasons for the collapse of an empire in a midden, we began to dig. In places like Texas, we found bad loan writedowns had not been taken, with the official or unofficial blessing of regulators and auditors. We forced changes in both areas and as new numbers were uncovered, there and elsewhere, we responsibly and dutifully reported them. Even today the cost of the thrift cleanup can't be estimated for certain because it is subject still to new findings and the influence of state and national economic factors. In fact, we probably will never know the entire cost of cleanup at least until the job is complete.

The President
Page 2
December 4, 1989

Enactment of legislation in August 1987 providing funds to revive case resolution signaled that government had stepped into the breach to stabilize financial institutions and assure the safety of insured depositors' savings. Numerous regulations implementing the new law were issued; creation of the bond program began bringing in needed funds; and case resolution programs like the Southwest Plan were launched to staunch the flow of red ink from the nation's savings and loans.

From the beginning, we promised never to spend beyond the Board's long-term resources -- the monies we could get principally from the bond program, future assessments on the thrift industry and the sale of receivership assets -- and we didn't. In January 1989, some \$38 billion committed and more than 250 case resolutions later, I reported to the Congress that we would soon have to cease case resolution because we were running out of resources. For some 18 months I had been saying that the resources Congress had provided in the late summer of 1987 would only do for the "short term." It would be up to the new President and the Congress seated with him to provide the resources to finish the job.

Under your leadership, Mr. President, the Congress provided not only the additional funds necessary to complete the thrift cleanup, but also tough new capital standards and other regulatory tools to help prevent a recurrence of the problem. You also gave me a fresh task -- build a new agency, as part of the Treasury Department, to regulate a revitalized thrift industry.

Today that agency -- the Office of Thrift Supervision -- is up and running. It has a topnotch supervisory and examination force in the field, as well as here in Washington, supported by seasoned legal and administrative staff. Strategic plans are in place to keep the new agency moving forward; regulations have been, and continue to be, promulgated to keep us moving in the direction provided in your thrift reform package. Equally important, cases are being pressed against those who broke the law and put the heavy burden on both the taxpayer and the thrift industry.

When he resigned early last summer, Board Member Roger Martin noted, "history would be kind to us." His comments about the last Bank Board are already coming true. Veribanc, a nationally known bank rating firm in Wakefield, Massachusetts, recently concluded that our resolution of failed thrifts during 1988 had saved taxpayers more than \$6 billion so far. And a recent study by the Board's former

The President
Page 3
December 4, 1989

chief economist found similarly that the 205 resolutions of failed thrifts in 1988 by sales to acquirers, compared with liquidations, also provided significant savings to taxpayers. Certainly, another benefit of our efforts in 1988 was to bring \$3 billion in fresh capital to the thrift industry. The Federal Home Loan Mortgage Corporation and its stock holders also fared well under our management, the market value of Freddie Mac's stock rose from \$750 million in mid-1987 to nearly \$5 billion today as a result of our allowing it to be traded publicly.

Mr. President, for more than two months there has been a steady stream of one-sided information emanating from the House Banking Committee hearings concerning my handling of Lincoln Savings and Loan, Irvine, California.

My turn to be heard finally came on the last day of hearings as Congress was adjourning its first session and members were heading home for the Thanksgiving holiday and for the year. Even then, apparently concerned that the gerrymandering of public opinion might be undone by the facts, the committee chairman took the unprecedented step of calling rebuttal witnesses to the table while four members of my Washington staff and I were still testifying and before we were given the opportunity to completely present our case.

As I testified under oath, neither political influence nor Lincoln's Charles Keating affected my decision on Lincoln. Nor for that matter have I ever made decisions for political reasons during my tenure as Chairman and Director. In spite of what has been said, there was insufficient evidence to take control of Lincoln Savings in 1987. This was not just my opinion, but the view of senior Board legal and supervisory staff here in Washington, whose job it is to review the field staff's findings and make such determinations. With telltale evidence that was uncovered in late 1988 by the Board-ordered examination, we took over Lincoln and put together cases against those suspected of wrongdoing.

However, the deliberately lopsided presentation of the facts surrounding the failure of Lincoln Savings and the simplistic efforts to find a scapegoat to shoulder the blame for the entire thrift crisis led various critics to join in the hue and cry raised by the House Banking Committee chairman for my departure from office. Having failed to secure my departure legislatively, Mr. Gonzalez resorted to corruption of the truth and abandonment of our historical devotion to fair play and due process in his effort to remove me from office.

The President
Page 4
December 4, 1989

These tactics, Mr. President, threaten the very fabric of public service, and their success can only deny government qualified public servants at a time when events throughout the world, as well as here at home, demand the best that government can provide.

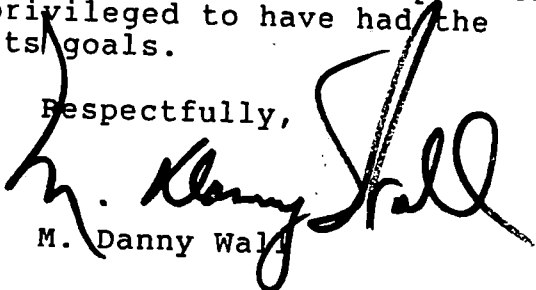
For virtually all my adult life I have been a public servant. I have served at the local and federal level, executive and legislative. I am proud of my achievements at all levels of service. I come from a small town on the plains of South Dakota, a shopkeeper's son. Service to God, country and community, personal integrity and not leaving undone a job once begun were just some of the virtues by which I was taught to live. And I still abide them, Mr. President.

We also don't run from a fight where I come from. But I am not willing to stand and fight at the expense of the goals of your administration or the achievements that have been accomplished at both the Federal Home Loan Bank Board and the Office of Thrift Supervision by me and all the people who have served with me. The recent hearings consumed a great deal of our energies as we prepared our response and the prospect of continued hearings with me as the primary target would cause disruption at OTS at a time when the agency's staff needs to devote its attention to revitalizing the thrift industry. I am not going to be a party to such a handicap.

For these reasons, I have decided to resign as Director of the Office of Thrift Supervision before my term expires on June 30, 1991. I initiated discussions concerning this matter in recent weeks with Treasury officials, and they have asked that I remain for a time in order to provide for an orderly transition. I have agreed to do so.

I am proud to have been a part of the solution to one of the gravest financial crises to face this nation since the Great Depression. I am equally proud to have been part of your Administration and feel privileged to have had the opportunity to contribute to its goals.

Respectfully,


M. Danny Wall



THE PRESIDENT

December 6, 1989

Dear Ed,

Many thanks for your good letter supporting Ambassador Jova for the Presidential Medal of Freedom. I appreciate your strong endorsement of the Ambassador's eligibility for this award. You may be sure that I will give him every consideration when selecting future recipients.

Barbara joins in sending our warmest best wishes.

Sincerely,

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Edward Hidalgo
Suite 1111
1828 L Street, N.W.
Washington, D.C. 20036

THE WHITE HOUSE
WASHINGTON

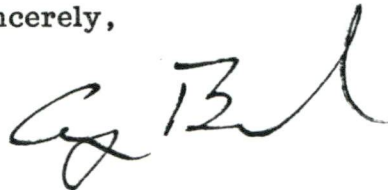
December 6, 1989

Dear Mr. and Mrs. Mueller:

Barbara and I were deeply saddened to learn of the loss of your son. Mrs. Mueller, the fact that you were a member of the EMT team that responded to the call for aid for your son and that similar circumstances surrounded the death of Mr. Mueller's daughter a decade ago make this tragedy even more heart-wrenching. Your decision to go on with your EMT work was indeed courageous and selfless.

Please know that you and your family are in our thoughts and prayers at this difficult time.

Sincerely,

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

Mr. and Mrs. Bob Mueller
159 Lake Avenue
Montello, Wisconsin 53949

THE WHITE HOUSE
WASHINGTON

December 6, 1989

Dear Lou:

I just got back from my visit with President Gorbachev in Malta, and I appreciate the information you conveyed about your meetings with people from the Soviet Union. I know my staff here have been in touch with you and that we have had some participation with your Conference.

A lot of good things are happening.

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. Louis Bantle
Chairman and
Chief Executive Officer
U. S. Tobacco
100 West Putnam Avenue
Greenwich, Connecticut 06830



THE PRESIDENT

December 6, 1989

Dear Maurese and Charles,

Many thanks for your warm letter. I was glad to have the opportunity of meeting Tony, and I hope that he will continue to strive for excellence in all of his future endeavors.

With warm regards,

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Bush".

FROM
THE WHITE HOUSE

WASHINGTON, D.C.

Mr. Charles V. Pittman
West 12th and Sassafras Street
Erie, Pennsylvania 16534



THE PRESIDENT

who is
Dec. 6, 1989

Dear Landon —

From this
Father of the Boomers
comes thanks for
Great Expectations

— May my thanks
that is —

I enjoyed our
interview. So did the
Silver Fox

Ag Bar

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

✓ bcc: Governor Sununu
Marlin Fitzwater

Mr. Landon Jones
Managing Editor
People
1050 Connecticut Avenue, NW
Washington, DC 20036-5334

THE WHITE HOUSE

WASHINGTON

December 6, 1989

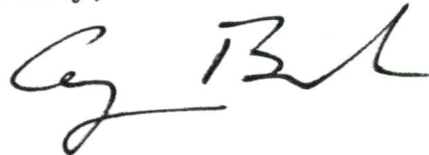
Dear Chelsea:

I was delighted to hear the news of your birth on November 10th. As the very proud parents of five wonderful children and the grandparents of eleven, Mrs. Bush and I know how thrilled your family is that you have arrived.

America enjoys peace and prosperity, but it is our job as citizens to continue to make it better. As you grow up, I hope you will listen to your parents and learn from them and those around you. Learn what it means to be a loyal friend, a caring person, and a good citizen, and you will then do your part to make this an even better country for the generations to come.

Mrs. Bush and I wish you a long life filled with good health and happiness.

Sincerely,



Chelsea Elizabeth Hook
13949 Water Pond Court
Centreville, Virginia 22020

For Flo Gantt's
grandchild.

jc



THE PRESIDENT

December 6, 1989

Dear Bruce,

Many thanks for your warm Thanksgiving greeting. It means a lot to Barbara and me to know that we have your support and friendship.

Best wishes, with appreciation for your thoughtfulness.

Sincerely,

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

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Bruce Hoffmann
Suite 14
2742 SW Eighth Street
Miami, Florida 33135

THE WHITE HOUSE

WASHINGTON

December 6, 1989

Dear Anita:

Barbara and I were sorry to learn of your illness. We join with your friends here at the White House in wishing you a complete and speedy recovery. We will keep you in our thoughts and prayers.

God bless you.

Sincerely,



Mrs. Emory Folmar
Jackson Hospital
1235 Forest Avenue
Montgomery, Alabama 36106

*Doug Mead
H. Firestone*

THE WHITE HOUSE

WASHINGTON

December 6, 1989

Dear Dizzy:

Let me again express the great pleasure it was for me to present you with the National Medal of Arts. Your music has delighted Americans of all ages and I was thrilled to present you with the highest honor our nation gives to pay tribute to its distinguished artists.

I am sorry to have to tell you that our policy towards Cuba prevents another great artist, Arturo Sandoval, from performing here. An integral part of our policy is to deny the regime hard currency, given its active support of violent revolutionary assaults on democratic governments and its terrible human rights practices. We have also opposed giving Cuban performers exposure to the U.S. market under this policy.

Unlike some of the other countries cited in your letter, Castro's Cuba is an exceptional case -- one of very few countries in the world whose behavior has been so egregious that we have instituted and maintained a total embargo. Unfortunately, a cost of our policy is to deprive the American people of an opportunity for magnificent performers such as Mr. Sandoval to entertain us.

As you know, Mr. Sandoval has been able to come to the United States for a jazz workshop. I hope that he will come again.

Sincerely,

A. J. Bush

Mr. John Birks Gillespie
c/o Charismic Productions
2604 Mozart Place, NW
Washington, DC 20009

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 6, 1989

STATEMENT BY THE PRESS SECRETARY

We are witnessing dramatic and historic events in Eastern Europe that were scarcely imaginable a year ago. The formation in Poland of the first non-Communist government in Eastern Europe in more than forty years hopefully represents only the beginning of a more profound systemic transformation in the region. The political and economic reforms in Hungary are further evidence of this phenomenon. The United States has encouraged and promoted these changes, which offer the prospect of a Europe whole and free, and a more peaceful world.

As part of this effort, and in accordance with the Support for East European Democracy (SEED) Act of 1989, President Bush today has named Deputy Secretary of State Lawrence S. Eagleburger as Coordinator of United States support to Eastern Europe. In that position, Secretary Eagleburger will be responsible for overseeing and coordinating all SEED programs and activities, which pertain specifically to Poland and Hungary. The President also has named Michael J. Boskin, Chairman of the Council of Economic Advisors, and John E. Robson, Deputy Secretary of the Treasury, as Deputy Coordinators.

United States assistance to Poland and Hungary is designed to contribute to the development of democratic institutions and political pluralism in those countries, as well as to promote the development of free market economies. Such assistance includes food aid, labor programs, environmental projects, educational and cultural exchanges, assistance for democratic institutions, trade benefits, investment guarantees, and structural adjustment and technical assistance programs. Secretary Eagleburger will be responsible both for overseeing these United States initiatives as well as for coordinating them with similar initiatives by other Western nations and by international institutions.

The United States is also prepared to work closely with our Western partners in assisting other Eastern European countries that make meaningful progress toward economic reform and democratic change.

#

THE WHITE HOUSE
Office of the Press

Bridget Montagne
West Wing

PRESS BRIEFING
BY
MARLIN FITZWATER

December 6, 1989

The Briefing Room

11:05 A.M. EST

INDEX

SUBJECT

PAGE

ANNOUNCEMENTS

Bettino Craxi Visit.....1
Task Force on Hispanic Education.....1
Coordinator of U.S. Support to Eastern Europe.....2

DOMESTIC

Bilingual Education.....2
Savings And Loan Issue.....5-6

FOREIGN

Gerasimov/Comments on Malta Meetings.....2-3;6-8;10;12-13
Colombia/Bombing.....3-4
 Drug Summit Site
Philippines.....4-5
El Salvador.....4-5
Czechoslovakia.....8;11
Egon Krenz Resignation?.....8
Nicaragua.....8-11
Middle East.....12

11:41 A.M. EST

#133-12/06

THE WHITE HOUSE
Office of the Press Secretary

PRESS BRIEFING
BY
MARLIN FITZWATER

December 6, 1989

The Briefing Room

11:05 A.M. EST

MR. FITZWATER: We have a number of things here today. First of all, the President met this morning for 30 minutes with Bettino Craxi, Chairman of the Italian Socialist Party. The President reviewed his meetings with Chairman Gorbachev, and Mr. Craxi talked about his impressions of Mr. Gorbachev's visit to Italy. They discussed the enormous changes taking place in Eastern Europe and the powerful impact of democratic values. They agreed on the importance of supporting democratic change and noted that the Soviet Union has also accepted that a new era has dawned.

Q Whew! (Laughter.)

Q You've got to try harder than that.

Q Thank you. (Laughter.)

Q Marlin, it's a cloudy dawn. (Laughter.)

MR. FITZWATER: It was a dark and stormy night, as Snoopy always says.

All right. Task Force on Hispanic Education. The President today is directing Secretary of Education Cavazos to form a task force within the Domestic Policy Council to focus on Hispanic education. This task force will: I: Assess the participation of Hispanics in federal education programs; II: Identify barriers that may limit Hispanic participation in education programs and suggest remedies; III: Suggest goals and strategies for the education of Hispanics. For example, reducing the dropout rate, increasing enrollment in higher education, and promoting adult literacy.

These goals will be considered in conjunction with the process of setting national education goals as called for at the education summit. The President took this action because of his desire that all children in America should have the opportunity to achieve their fullest potential as human beings and because much of that opportunity depends on education.

In a memo sent to Secretary Cavazos today, the President says, "We must step up our effort to ensure the education of Hispanic Americans as a vital part of our overall commitment to excellence in education."

Q What's the status of those national education goals, Marlin?

MR. FITZWATER: They are being considered by the Department of Education, by the states and the governors, and there's work going on even as we speak.

Q Does the President have a position on bilingual education, putting Hispanic on a par with --

MORE

#133-12/06

MR. FITZWATER: Bilingual education. I don't know. I'd have to go back and check and see what our policy is on that.

All right, let's move on to another statement. We are witnessing dramatic and historic events in Eastern Europe that were scarcely imaginable a year ago. The formation in Poland of the first noncommunist government in Eastern Europe in more than 40 years hopefully represents only the beginning of a more profound systematic transformation in the region.

The political and economic reforms in Hungary are further evidence of this phenomenon. The United States has encouraged and promoted these changes which offer the prospect of a Europe whole and free and a more peaceful world. As part of this effort and in accordance with the support for East European Democracy Act of 1989, President Bush today is naming Deputy Secretary of State Lawrence Eagleburger as Coordinator of U.S. Support to Eastern Europe.

In that position, Secretary Eagleburger will be responsible for overseeing and coordinating all programs and activities which pertain specifically to Poland and Hungary. The President also has named Michael J. Boskin, Chairman of the Council of Economic Advisors, and John E. Robson, Deputy Secretary of the Treasury, as Deputy Coordinators.

You will recall that that law authorized \$938 million for Poland over a three-year period.

Q Are you going to put that out, Marlin?

MR. FITZWATER: I think there is a much longer statement that will be issued.

Q Were those positions mandated under the law?

MR. FITZWATER: I don't believe they were.

Q No, but they were leaked a long time ago.
(Laughter.)

MR. FITZWATER: That's standard practice. (Laughter.)

Q Yes.

Q Will those positions carry with them any role for the -- cooperation with the Soviets or anything beyond strictly Poland and Hungary at this time?

MR. FITZWATER: I don't envision any expanded responsibilities. It doesn't show it in here.

Q Have you talked to Gennady Gerasimov about how things sort of went over the weekend?

MR. FITZWATER: Well, Gennady thought it was a great summit, and I thought it was a great summit. (Laughter.)

Q He thought you double-crossed him.

Q What about a book?

Q Yes.

MR. FITZWATER: No, no. These things happen. But I do the best to take care of my press corps. What can I tell you?

Q Did he speak to you about that, Marlin? Did he speak to you about that?

Q Did he speak to you at all?

MR. FITZWATER: No.

Q Is that the new chapter in your book?

MR. FITZWATER: No books.

Q He's taking over the briefings in June.

MR. FITZWATER: Is that right?

Q Now, you didn't write any quotes for the President on that trip, did you? (Laughter.)

MR. FITZWATER: I'm safe on that point.

Let me just comment on a couple of other stories out here this morning. One is -- there has been a bomb in Bogota. I've seen reports on CNN and wire stories. We don't have very much information. Our preliminary information from the Embassy showed some 20 dead and 100 wounded. CNN is suggesting maybe up to 1000 have been wounded. The truth is, we don't have the facts at this point, but it is a very destructive situation. It appears to be -- or, the cause, I should say, we don't really know. But in any case, it does appear that there's been a large loss of life.

Q Might this affect the site of the drug summit, Marlin?

MR. FITZWATER: I wouldn't expect it to. The site -- the final site has not been selected. We are considering two or three sites, as you know.

Q No. What other sites are you considering?

MR. FITZWATER: We don't want to say because -- we'll wait until we select it.

Q Sites outside of Colombia?

MR. FITZWATER: We've talked about at least four or five sites over the last two months, but I don't want to name where they are.

Q Outside of Colombia?

MR. FITZWATER: Some out, some in.

Q Have these incidents in Colombia given you any second thoughts or any pause about holding the conference in Colombia?

MR. FITZWATER: Well, we haven't had a site selected. I would say that wherever we hold it, we will do so with the assurance that we can provide security for the President.

Q What about the press? (Laughter.)

Q Is Cartagena still under active consideration?

MR. FITZWATER: It's one of those being considered, yes.

Q Have you asked Peru, Colombia, and Bolivia since they're the organizers of the summit, to take a look at some other sites? Because they're still saying Cartagena.

MR. FITZWATER: No. As I've said, we've considered a number of sites and we're working with them on final selection. Cartagena is one of those sites being considered.

Q Do you have any comments specifically on the bombing of the plane? I don't believe the administration has made any comment on that.

MR. FITZWATER: On the bombing of the plane?

Q The Avianca plane.

MR. FITZWATER: I don't have any specific comment, other than it is being investigated. But we don't have information on the details of it here. There are all kinds of reports about who is behind it and so forth. But we can't confirm any of that.

Q Marlin, the President said this morning in that photo op that he was encouraged about the situation in the Philippines. Why did he say that, and what did he mean by that, I should say?

MR. FITZWATER: We are pleased that the Aquino government was able to arrange a cease-fire in the Philippines and that earlier this morning, Manila time, all U.S. and other foreign citizens trapped by the fighting in the Makati hotel district were able to be bused to safety. Approximately 280 U.S. citizens reached safety through this process --

Q How many?

MR. FITZWATER: -- 280. The U.S. Embassy is working to help these individuals with their other travel plans. All Americans were reported safe and we have no reports of injuries. We commend the Aquino government for their efforts to get innocent civilians out of the way of the fighting. At last report, the cease-fire in Manila continued to hold.

That's the status that we have at this point.

Q Do you have any comment on Mrs. Aquino's declaration of a state of emergency which apparently includes considerable press censorship? And does that fly in the face of democracy in the Philippines?

MR. FITZWATER: Well, we're looking into the details of it. We don't have a reaction at this point, but we will take a look at it and see if there's any -- if we have any concerns.

Q Marlin, when is the drug summit?

MR. FITZWATER: We haven't set a date yet.

Q Is the President determined to go to Colombia as a part of a commitment?

MR. FITZWATER: Of course, the invitation came to us from the three countries involved. We worked with them in terms of the date and the selection of the city. But we're open to any idea that can be worked out among all the parties. But I think it is probably the preferable course that it be somewhere in the region or close to the region, at least.

Q Well, it seems that the word around here is that he feels that he should go to the source, that he should make a stand in Colombia itself. Is that true?

MR. FITZWATER: No, I don't think the President has any preconditions on that. It's a matter to be worked out with the countries.

Q Marlin, the churches that have representation in El Salvador and also have headquarters in Washington -- Catholic,

Protestant, Baptist, Mennonite, Brethren, all of them -- Lutheran -- they've come to one conclusion that the government of El Salvador has launched an antireligious crusade down there -- a movement, and they're arresting their spouses and arresting innocent young women and children and putting them in jail and torturing them. And so they have been trying to get to Mr. Bush to get a statement from him on this, and they have found it impossible. Do you think that Mr. Bush can be -- listen to them? They are the people who are communicates of his own church, like the Espiscopalian.

MR. FITZWATER: I don't know what the status of their efforts are, Sarah. Certainly, from our perspective, freedom of religion is a very important principle that we would want respected by all sides and all parties, including the El Salvador government.

Q -- savings and loan question.

Q They request -- if I may say so, the request is here at the White House. So it should be easy to find it.

MR. FITZWATER: All right, I'll try and find it.

Q Our paper reported today that James Maroney, a former regulator with the Federal Home Loan Bank Board in Topeka, said that the since-collapsed Silverado Savings was a "Ponzi scheme," and that "Neil Bush's presence on its board was a material part of unconscionable delays in taking over Silverado." Does the President have any concern that, following on the Lincoln scandal, that Silverado's collapse may have, in part, be due to regulators being fearful of Neil Bush's role and his connection?

MR. FITZWATER: These matters are all under investigation and consideration, and we won't offer any comment on any aspect of it. I might say, Neil's been off that board for a long time.

Q The indications were that the troubles had all but culminated when he quit the board, though. Has the President spoken to him about this lately?

MR. FITZWATER: I don't have any idea.

Q Marlin, how could the President commend the Aquino government when the government forces were shooting in civilian areas, and a lot of the civilians, including American citizens, were fearing for their lives?

MR. FITZWATER: Because the Aquino government is the duly-elected representatives of the people of the Philippines. They were having to put down a coup attempt, and they did so in a way that was not only effective, but did protect American lives and took all steps to see that they got out.

Q Marlin, this is around the time the President is to name a new chairman for the Civil Rights Commission. What is happening there?

MR. FITZWATER: I'll have to check up on the status of that. The reauthorization is a part of that.

Did that pass in the last days? I need to check that -- in which case -- as soon as there is a vacancy, we will proceed with naming members and a chairman, but I don't know the exact status of it. The President wants an active and vigorous Civil Rights Commission, wants to appoint good people to it, and wants a chairman that does an aggressive job.

Q Two quick questions. Did the President talk to Colombian President Barco in the last couple of days?

MR. FITZWATER: Not to my knowledge.

Q And second question: Are we going to get the Danny Wall letter today?

MR. FITZWATER: Hopefully.

Q There seem to be some mixed signals coming from the Philippines. Mrs. Aquino seems to be taking a pretty tough line, but there are military leaders loyal to her that are talking about negotiations. What is the U.S. view? Does Mrs. Aquino need to take a tough line against the rebels, or is this a matter where negotiations might be wise?

MR. FITZWATER: Well, we won't take a position on how she conducts her affairs there, and we wouldn't offer any instructions.

Q On the summit, you said that Gorbachev didn't come in with any specific proposals. But now the administration is saying that he came in with some ideas for nuclear disarmament at sea and naval disarmament. How do you square those two, and what can you tell us about the naval disarmament?

MR. FITZWATER: Well, I think you have to -- we're talking semantics here about what major proposal and so forth -- before we were coming, everybody was suggesting Reykjavik II and all of that, and nothing happened. Now, quite obviously, President Bush had ideas, Chairman Gorbachev had ideas. If you want to call those proposals, so be it. But in my mind, at least, when we were talking before, we were talking about Reykjavik kinds of surprises and all that. So I don't have any problem with any of the characterizations we've given it before or since.

Q Well, go ahead and describe, then.

MR. FITZWATER: On the naval forces, he raised the issue of the American naval bases that surround the Soviet Union and the large naval presence in the area, and that he would like to see that reduced. And as has widely been reported, he gave the President a map showing their understanding of where all of our naval facilities and installations are.

Q In which meeting did that occur? Do you know?

MR. FITZWATER: And the President -- in one of the expanded meetings -- let's see, I don't remember whether it was the first day or second day. I think it was the second day.

Q You say you don't have any problems with any of the characterizations. How about feet-up?

MR. FITZWATER: Feet-up was perfect characterization for the kind of informal meeting that they had, and I think within the context of past summits and a negotiation one where you sign agreements and you argue about arms control, I think it was perfectly accurate.

Q But shoes on, right?

MR. FITZWATER: With shoes on.

Q Marlin, I'd like to visit this a little bit, too.

MR. FITZWATER: I don't think anybody ever truly expected people to put their feet up. It's a rhetorical device which I endorse.

Q Marlin, isn't it true that before he went -- the day, in fact, he was trying to tell us "there are no arms control proposals," that members of his administration were discussing with the Soviets specifics that he would bring there.

MR. FITZWATER: Nothing that fit the category of arms control proposals as we discussed.

Q What about the chemical weapons proposal?

MR. FITZWATER: I don't consider that in that category, no.

Q What about the proposed focus on START?

MR. FITZWATER: Same.

Q You don't consider that an arms control proposal?

MR. FITZWATER: Those are all arms control issues and proposals, but they're not in the context in which the press took this matter to the President. You were all asking him about big force reductions in Europe and Reykjavik kinds of proposals and so forth.

Q He said -- let me just quote him again, Marlin.

MR. FITZWATER: We were trying to build a piece of realism into this. We felt the press was trying to build up stories of these huge, dramatic new issues and proposals, and that was not the case. It wasn't the case at the time; it's not the case now.

Q But he said, "I've told you that we don't go there with specific proposals." And then we find out on Saturday night that he had a list of them that he laid on the table. Then we find out that you were discussing with the Soviet Embassy and Soviet officials days before we left. Then we find out that Gorbachev also provided a list in his proposed joint declaration, which we still haven't heard -- you haven't acknowledged.

MR. FITZWATER: Proposals as defined by the press at the time -- that's exactly right. If you want to use this definition for all future meetings, I will accept it. We will never have a meeting without these kinds of proposals. But we will not have -- I do not feel that this violates things we've said in any way whatsoever. And I go back and read the transcript of your questions and your comments, and you'll see exactly what I meant.

Q But you were discussing with the Soviets in advance of this meeting the specific details of the agenda and what the President would bring here?

MR. FITZWATER: Absolutely.

Q What about the specific proposal that was reported this morning -- that suggestion, idea, whatever you want to call it, that Gorbachev made about denuclearizing the Navy? Did he make it, and what was the administration's response --

MR. FITZWATER: Well, again, it was in the context of that he would like to see reductions in the naval forces which, of course, includes nuclear weapons. But it was a passing reference, then he gave us a chart -- the map. We made some jokes about we'd fill in the blanks and that was about it.

Q No response to this suggestion?

MR. FITZWATER: Oh, the President responded, yes, as he said, that that was unacceptable to us.

Q Why?

MR. FITZWATER: Because the United States is a naval power. We depend upon the seas for contact with all of our allies

and with other continents of the world. The Soviet Union is a land-based power. But the Navy is crucial to us in terms of maintaining all of our commitments around the world, maintaining open sea lanes and commercial lanes around the world, and it simply is so key and vital to our basic role in world military affairs as well as commercial affairs that we cannot consider that.

Q Ever?

Q Are we inflexible on that, or is that a decision that we would be willing to negotiate at some point as these budget pressures come down and tensions with the Soviet Union are reduced?

MR. FITZWATER: I don't detect any flexibility at this point.

Q Marlin, you said that Chairman Gorbachev made it as a passing reference and that the President rejected it, and then they just went on --

MR. FITZWATER: The nuclear aspect of it. Obviously there was some discussion on the Navy side with nuclear reference -- well, just the fact that there are nuclear weapons on those ships.

Q There are a lot of countries in this world who do not want U.S. ships to come in with nuclear power. And we deliberately don't say whether we have it for that reason. Don't you think as peace descends on us that this will become a broader view -- that more and more countries will not want us?

MR. FITZWATER: Well, our position is quite well-known and we are a part of any number of alliances around the world. And we think our allies understand that need and understand the security that it brings to world peace.

Let me comment on a few other things before we get off here. First of all, Prime Minister Adamec met with Civic Forum Leader Havel in Czechoslovakia. Our response is that these are small but welcome steps on the path toward peaceful political reform and pluralism. There are responses to the continuing desire of the people for reform and evidence that the peaceful assertion of their rights by the people of Czechoslovakia is having an effect.

Also let me -- just on the wires there's been a report that Egon Krenz in East Germany has resigned. The President was asked about it in the Oval Office. We have seen the wire reports but don't have official confirmation. We would say, however, that if it is true, this is another in a rapid series of changes which have taken place in response to a long pent-up desire of the people of Czechoslovakia for a voice in their government.

Q You mean East Germany.

MR. FITZWATER: I mean East Germany. (Laughter) We hope this will lead to further reforms which will meet the aspirations of the people for freedom and democracy.

And lastly, Nicaragua -- I was asked several times this morning about the demobilization date in Nicaragua. And we would point out that the circumstances there do not fulfill the conditions of demobilization as set forth in the Tela Accords. While we are not aware of any formal decision by the Contras on repatriation and demobilization, under the Tela and Esquipulas Accords, Nicaragua was to provide the conditions that would be conducive for voluntary repatriation. They have not met those obligations. The Sandinistas have broken the cease-fire, have sought to undermine the election process by harassing the opposition.

In addition, they have attempted to block observers from coming in to view the activities. They have denied visas to

congressional delegations. They have stated they will not be granting these visas. And in view of this situation, the Contras have no alternative. We continue to stress the need for the Sandinistas to fully abide by the accords that they have signed. The Contras have extended their goodwill and have sought to reach agreement by entering talks with the Sandinistas.

However, as noted above, the actions of the Sandinistas have not assisted in furthering these talks. They abruptly suspended the talks two weeks ago. The Contras, at that time, indicated their desire to continue with the talks and are willing to assume them now.

We will continue our funding of the Contras, as witness by the congressional decision to continue doing so until February. There is a strong bipartisan approach to this policy. So anyway there's the statement.

Q When were they supposed to demobilize?

MR. FITZWATER: I think it was December 5th.

Q Has the President called Arias or sent him a message or anything to report back on his conversation with Gorbachev?

MR. FITZWATER: That's a good question. I don't know that he has, but I'll double-check that.

Q In the conversations with Gorbachev on the subject of Nicaragua, presumably, the President actually did what he said he had done, which was to urge that free elections proceed and that the Soviets -- Gorbachev use his influence there. Gorbachev made some grand statements, but did he make any commitments or signal any interest in reasserting that publicly-stated view privately with Danny Ortega?

MR. FITZWATER: No, I don't think that he did. His reaction was to the effect that -- as I recall, his words were more to the effect that there are elections taking place. I think he called them free and fair elections taking place in February. But there were no commitments to pursue that point, other than the fact that there was an implication that he was holding that up as at least an indication of some change in Nicaragua.

Q Ortega is now saying that he doesn't even want the U.N. observers there because the U.N. observers aren't appropriate if the Contras haven't demobilized. This coming just a few days after the summit would seem to indicate to me that as Secretary Baker said somebody's lying to somebody here. Who's lying? Do you want to have a crack at that one?

MR. FITZWATER: I guess I'd better not take a crack at that one, but I think the President's comments there and Secretary Baker's and others make it pretty clear that basically that's the position we put to Chairman Gorbachev -- was here are the facts, here's what's happened and you tell us what this means. And basically there was no answer.

Q Was the thrust of your statement that the U.S. supports the refusal of the Contras to demobilize at this point, because they haven't met the --

MR. FITZWATER: That's right, because there are not the conditions there to allow it.

Q Marlin, does the President plan a press conference tomorrow or during his trip?

MR. FITZWATER: No, nothing planned, although sometimes we have them when they're not planned. But I shouldn't have said that. People go crazy. Nothing's planned. (Laughter.)

Q Let me just ask you this. How does the President plan to report or does he plan to report to the American people about the Malta meeting?

MR. FITZWATER: Well, the President had three press conferences in two days, all of which were carried live and in all the newspapers and he's given a pretty full report.

Q If I could back to Frank's question. The President said in Malta that he accepted Chairman Gorbachev's word. When he got to Brussels, he said Gorbachev's comments about Central America don't represent new thinking. The implication is he seems to be playing both ends against the middle. Is it not possible for him to say one way or the other whether he believes the Soviet Chairman assurances that he is not providing weapons for the --

MR. FITZWATER: Well, I thought he was very clear on this point, Wendell. He said the facts of what he thought, what we found in Central America, what our position was and what was happening. And he indicated that we couldn't judge the Soviet Union's statements, but what they said, nevertheless, did not change the facts -- did not change our belief that Soviet equipment is going into these countries by one way or another and that they have influence that can be brought to bear on it. So we were very straightforward on that. Well, if you're asking us to judge their motives, there's no sense in trying to do that.

Q No, I'm trying to judge the veracity. All that squares. Now, is the President perhaps suggesting that Gorbachev -- as has been said, the Sandinistas may be lying to the Soviets -- is the President suggesting perhaps Gorbachev is not getting straight information from his own aides?

MR. FITZWATER: He said he took their word for it, but that --

Q He took the Chairman's word for it?

MR. FITZWATER: -- it must not be getting -- message must not be getting through.

Q Marlin, did the President implicitly, in any stage of the proceedings there, couple this question of the arms flow into Central America with any other issue, or is it simply a case of jawboning here?

MR. FITZWATER: I would say that only to the extent that the President did make it clear, that the situation in Central America is extremely important to the people of the United States, and that we judge our allies and our relationships with all countries around the world by actions and deeds that often relate to these kinds of regional conflicts. President Bush has said that in the past, that regional actions have a great influence on our general relationship. The President made the presentation of his very ideas within the context of, here is a number of ideas that I have that should be helpful to help you integrate into the international economy, that speed up the arms control process, that move us forward on conventional arms reductions, and these are broad moves that effect the whole relationship. And regional activities, including Central America, are another factor in how we make that judgement.

Q Marlin, after hearing all of this and hearing the President's statements, I still would like to know why he wimped out on the subject on Central America with Gorbachev?

MR. FITZWATER: I think that's a totally incorrect and uncalled for characterization. The President was very strong, not only in the private meetings, but at his press conference with Gorbachev sitting right beside him. What do you want, declare war or

what?

Q No. But Secretary Baker said that the situation in Central America was the primary obstacle to the broad improvement of relations between the two countries. The President said he felt very strongly about it, and yet he accepted Gorbachev's explanations, presented his views in a very diplomatic context, did not seem to be insistent or anything like that. Unless this has been portrayed inaccurately, or I have misjudged it, it sounds rather gentlemenly.

MR. FITZWATER: I think you've misjudged it. I don't think there's any question on the part of the Soviet Union or the United States the strength of President Bush's commitment and words.

Q Would you say he didn't couple it to anything?

Q He didn't ask for --

MR. FITZWATER: I don't think there's any misunderstanding by either party of this situation's importance to the United States.

Q Marlin, in what way is the situation in Central America important to the people in the United States? For example, does the majority of the public want intervention in Nicaragua or El Salvador, or do they want nonintervention?

MR. FITZWATER: I think there's a general consensus that the people in the United States want peace in Central America. We want an end to the wars and the conflicts and the rebellions and all of those that are fed by arms from all sides.

Q Newsweek implies that -- perhaps the whole Cristiani wing of that party had a lot to do with the Jesuit killings. Have we got any information? Don't they seem to be pretty slow in their investigation?

MR. FITZWATER: I don't know, Helen. I've not seen any reports of information on the investigation and I couldn't offer a judgment on its pace.

Q Marlin, Guillermo Endara and his running mates from last May's elections criticized your action -- Bush's action yesterday naming an acting administrator of the Canal. What's the reaction there? They say it undermines the whole process laid out in the Canal Treaty.

MR. FITZWATER: Well, I assume that all of you have read that statement we put out yesterday. Just to recap in terms of Chris's question, we asked the Deputy Administrator of the Commission, Mr. Fernando Manfredo, to continue to serve the Commission and to serve as Acting Administrator until the retirement of the current U.S. Administrator, Mr. McAuliff, effective January 1, 1990.

We asked him to continue in this position, given the outstanding ability he has demonstrated both as Deputy Administrator and as Acting Administrator on previous occasions. And I would say that in terms of the political realities of the situation, which is what the question goes to, that this nomination allows the continuation of the Canal, the uninterrupted compliance with the treaty and the operations of the Canal, but does not introduce a new political figure in here that would result in political turmoil. So that, in many ways, it does recognize the situation with Noriega; it does represent our recognition of Mr. Endara and the opposition parties concerned, and yet, also provides for the ongoing and uninterrupted operations of the Canal.

Q They're concerned that this is the first -- that we're flouting the treaty law that required that a Panamanian be

administrator, not acting administrator, on January 1.

MR. FITZWATER: Well, we think this was the correct course of action.

Q Don't hear much about the Middle East. Is it the realistic assumption here that the whole electoral process is dead over there?

MR. FITZWATER: The electoral process -- now, what do you mean by that?

Q Palestinian elections. Realistic now.

MR. FITZWATER: Well, we still think that there are possibilities for the peace process. People are still talking to each other. Proposals are still being made. So we never give up.

Q At Malta, did Gorbachev at any point during the summit link Central America to Afghanistan?

MR. FITZWATER: I don't recall that. I wasn't in all the meetings, but I don't recall that.

Q To follow up Connie's question, are you saying that the PLO has not rejected the Baker Plan, has not turned down the idea that they concur on a delegation, but do it silently?

MR. FITZWATER: Well, I think it's important -- we've all seen the wire stories and we know the messages that were sent -- but I think it's important to point out in all these Middle East maneuvers that statements are made, positions are taken on various issues, but that doesn't always mean that things are final or the situation is dead. You keep probing, keep looking for a little different formula, keep looking for different players, different angle and so forth. And lo and behold, progress can be made. And that's what we continue to do.

Q So those stories of the initial rejection though are true?

MR. FITZWATER: I don't know about that. I know the press reports you're referring to, but I couldn't confirm them.

Well, let's see. Are we ready for Christmas? I think we are. Kind of a bad mood here today. We need some juice.

Q Can I ask one quickie on Syria? Did the President ever ask Secretary Gorbachev to put pressure on Syria to kind of calm the situation -- not just in Lebanon, but Syrian-Israeli relations?

MR. FITZWATER: In the discussion of the Middle East, the President did indicate that he thought the Soviet Union could play a role that could be -- not play a role. Let's say that they could use their influence to help out in the situation. But I wouldn't want to be -- I don't think he made any specific overtures; at least not that I heard.

Q -- on Lebanon?

MR. FITZWATER: Well, regarding the Middle East in general. I don't want to say who.

Q A little more on the summit. The Soviets handed -- Gorbachev handed Bush a proposed joint declaration which apparently covered things beyond just the naval. Has the administration now analyzed what some of these proposals were and do you have any thoughts or reaction about them? Do they hold any --

MR. FITZWATER: Gorbachev gave us a joint declaration?

Q Proposed joint declaration at the beginning.

MR. FITZWATER: What -- to give out at the end of the summit? Not familiar with that. Never heard of it. I was in six out of the eight hours -- never saw it, never even heard it discussed. I guess I can't say it's not true, but I've never heard of it. Have you?

MR. POPADIUK: No, first time.

MR. FITZWATER: First time I ever heard of it.

Q Can you check?

MR. FITZWATER: I'll check, yes.

THE PRESS: Thank you.

END

11:41 A.M. EST

#133-12/07

George Bush Presidential Library Transfer Sheet

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DESCRIPTION:

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P008610-26A, P008608-21 [Children's Hospital, Christmas Wish];

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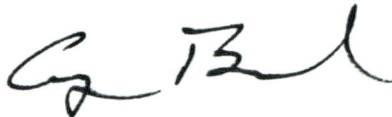
Dear Mr. Webber:

Barbara and I were saddened to learn of your illness and want you to know we are thinking of you.

While I am disappointed that we will not have the benefit of your experience and knowledge at the National Endowment for the Arts, I am hopeful that your decision will lead to a speedy recovery. You are in our prayers.

May God bless you.

Sincerely,

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

Mr. E. Leland Webber
1224 Elmwood Avenue
Wilmette, Illinois 60091