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FOIA MARKER

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

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

OA/ID Number: 90547
Folder ID Number: 90547-007

Folder Title:
Tuesday, May 15, 1990

Stack:	Row:	Section:	Shelf:	Position:
V	12	11	7	6

Withdrawal/Redaction Sheet (George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Schedule	Schedule of the President [redaction] (1 pp.)	05/15/90	(b)(3)	
02. Log	White House Telephone Log [President Bush] [redaction of personal information] (1 pp.)	05/15/90	(b)(6)	
03. Notes	Handwritten notes of meeting Re: various issues (2 pp.)	05/15/90	(b)(1)	
04a. Note	Re: photo of Millie to Janet Johnson [redaction of personal information] (1 pp.)	n.d.	(b)(6)	
04b. Note	Handwritten notes of Presidential Phone call with Janet Johnson Re: personal problems [double-sided] (1 pp.)	05/15/[90]	(b)(6)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, May 15, 1990

Pinksheet Number: dw1692

OA/ID Number: 90547-007

Date Closed: 4/27/2010

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

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File Location: Tuesday, May 15, 1990

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FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

PRM. Removed as a personal record misfile.

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

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



Tim

SCHEDULE OF THE PRESIDENT

Tuesday, May 15, 1990

7:55 am (5 min)	<u>Photo with Joe Morgan (Presock)</u>	Oval Office
8:00 am (15 min)	<u>Intelligence Briefing (Scowcroft/Sununu)</u>	Oval Office
8:15 am (30 min)	<u>National Security Briefing (Scowcroft/Sununu)</u>	Oval Office
8:45 am (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
9:15 am (15 min)	<u>Administrative Time</u>	Oval Office
9:30 am (15 min)	<u>Meeting with President's Com- mission on Aviation Security and Terrorism (Bates)</u>	Roosevelt Room (TAB A)
9:45 am (15 min)	<u>Personal Staff Time</u>	Oval Office
10:00 am (30 min)	B <u>Arrival Ceremony for Tunisian President Ben Ali (Scowcroft)</u> (Distributed Separately & TAB B)	South Lawn
10:30 am (60 min)	<u>Meeting with President Ben Ali (Scowcroft)</u> (Distributed Separately)	Oval Office/ Cabinet Room
11:30 am (15 min)	<u>Personal Staff Time</u>	Oval Office
11:45 am (10 min)	<u>Drop by Meeting of Pan Am 103 Families (Bates)</u>	450 OEOB (TAB C)
12:00 pm (75 min)	<u>Lunch</u>	Oval Office
1:15 pm (45 min)	<u>Personal Staff Time</u>	Oval Office

UNP 05/14/90
5:00 pm

2:00 pm
(90 min)

Budget Meeting with
Congressional Leadership
(McClure)

Cabinet Room
(TAB D)

3:30 pm
(30 min)

Meeting with Governor Sununu

Oval Office

4:00 pm
(30 min)

B Interview with Joe Hyams
(Demarest)

Residence
(TAB E)

4:30 pm
(30 min)

Personal Time

Residence

7:15 pm

B State Dinner for President Ben Ali
(Scowcroft) (Black Tie)

State Floor
(TAB F)

7:54 add Joe Morgans wife: Theresa 8:03 Morgans out 8:04 add Scowcroft +
8:05 add Sununu 8:26 (b)(3) out 8:27 add V.P. 8:53 Scowcroft out
9:04 V.P. + Sununu out 9:05 add Sununu; add Darman + Fitzwater
9:13 Darman out 9:15 Fitzwater + Sununu out 9:31 Potus to Roosevelt Rm
9:52 Potus to Oval office 9:55 add Scowcroft + Sununu; Potus all dpt
9:56 arr Garden Rm (see Tab "B")

10:28 Potus + Pres. Ben Ali dpt Res to Oval 10:30 arr oval w/2 interps, Scowcroft
+ Tunisian ~~interpreter~~ notetaker
10:34 (all pres out - 1 on 1 mtg begin - Potus, Ben Ali, 2 interpreters, Scowcroft + Tunis. Amb.)
10:54 Potus, Ben Ali et al to Cabinet Rm - for expanded mtg
11:36 Potus + Ben Ali + 2 interps to Oval 10:39 Potus + Ben Ali interps to S. lawn
11:41 Ben Ali departs 11:42 arr Oval - add Steve Van Dusen (Cal. Affairs)
11:43 Potus + Steve dpt Oval 11:46 on 450 EOB 11:47 Potus ann into 450 EOB
11:47 Potus remarks 11:57 conclude remarks 11:58 dpt 450 into Oval
12:03 Potus arr Oval 12:25 add Scowcroft 12:27 Scowcroft out
Potus to Cabana 1:56 Potus to Oval; add V.P. + Sununu
1:59 Potus all to Cabinet Rm. for Budget Mtg 3:41 Potus to Oval

UNP 05/14/90
5:00 pm

3:48 add Acowcroft + Sununu

3:56 Acowcroft out 4:00 Sununu out

4:07 Opt Oval - 4:10 arr 3rd Flr Solarium

5:09 conclude interview - Potus to 2nd Flr Res.

5:20 (approx) Potus + MR. Overby (ONGuest) to Oval _____ to Res

(see Tab "F" for evening schedule)

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THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

MAY 15th, 19⁹⁰

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	7:12 AM	7:14	MRS. BARBARA BUSH RES: WASHINGTON, D.C. WHITE HOUSE ADMIN. BD. EXT. 551	TLKD-OK
~~INC~~ ~~XXX~~ OUT	~~PM~~ ~~XXX~~ AM			
INC OUT	PM AM			
OUT	7:29 AM	7:35	MR. LEE ATWATER WASHINGTON, D.C. 994-1861	TLKD-OK 7:31 A.M.
~~INC~~ OUT	~~PM~~ AM			
INC OUT	PM AM			
OUT	7:41 AM	7:49	MS JANET JOHNSTON (b)(6)	TLKD-OK
~~INC~~ OUT	~~PM~~ AM			
INC OUT	PM AM			
OUT	8:44 AM	8:50	MR. JOHN (JEB) E. BUSH (b)(6)	TLKD-OK 8:45 A.M.
~~INC~~ OUT	~~PM~~ AM			
INC OUT	PM AM			
~~OUT~~ ~~XXX~~	10:40 AM		SENATOR PETE WILSON OFC: WASHINGTON, D.C. 224-9650	IN MEETING - TLKD TO GOVERNOR JOHN H. SUNUNU
INC OUT	~~PM~~ AM			
INC OUT	PM AM			
~~OUT~~ ~~XXX~~ INC	~~AM~~ ~~XXX~~ PM	12:21	MR. RONALD W. REAGAN ON AIRPLANE	TLKD-OK 12:17 P.M.

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

MAY 15th, 1990

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	AM		MRS. BARBARA BUSH WASHINGTON, D.C.	
INC	12:22 PM	12:23	WHITE HOUSE ADMIN. EXT. 590	TLKD-OK
OUT	AM			
INC	PM			
OUT	AM		MR. RICHARD G. DARMAN OFC: WASHINGTON, D.C.	
INC	6:33 PM	6:36	WHITE HOUSE ADMIN. EXT. 820	TLKD-OK
OUT	AM			
INC	PM			
OUT	AM		MR. JOHN OVERBEY WASHINGTON, D.C.	
INC	6:37 PM	6:37	WHITE HOUSE ADMIN. EXT. 582	TLKD-OK
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			

TELEPHONE MEMORANDUM
SIGNAL SWITCHBOARD

[illegible]

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 15 May 1990

TIME	MOVEMENTS
0704	South Grounds
0709	Oval Office
0932	Residence
0954	Oval Office
0956	Rose Garden
0958	Palm Room
1000	South Grounds
1024	Rose Garden
1025	State Floor
1031	Oval Office
1055	Cabinet Room
1136	Oval Office
1140	South Grounds
1147	Room 450, Old Executive Office Building
1204	Oval Office
1229	South Grounds
1359	Oval Office
1401	Cabinet Room
1544	Oval Office
1609	Residence
1722	Oval Office
1725	South Grounds
1736	Residence
1913	State Floor

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 15 May 1990

TIME	MOVEMENTS
1921	Residence
1955	State Floor
2244	North Grounds
2245	State Floor
2254	Residence
2257	South Grounds
2314	Residence

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 15 May 1990

TIME	MOVEMENTS
0704	South Grounds
0709	Oval Office
0932	Residence
0954	Oval Office
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PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 15 May 1990

TIME

MOVEMENTS

[illegible]



News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, MAY 15, 1990 -- 6:00 A.M. EDT EDITION

TODAY'S HEADLINES

NATIONAL NEWS

WHITE HOUSE SHIFTS ON CIVIL RIGHTS ACT -- A month after the Bush Administration threatened to veto the 1990 Civil Rights Act, the White House shifted gears Monday and announced that President Bush "would like to sign a civil rights bill" and has only "minimal" differences with the pending legislation.

(Washington Post, Washington Times, AP, UPI)

INTERNATIONAL NEWS

U.S. SUGGESTS FLEXIBILITY ON PHILIPPINE BASES -- The U.S. could turn several small military facilities over to the Philippines government in negotiations under way in Manila, a senior U.S. defense official suggests. (AP)

S. AFRICAN PRESIDENT TO PRECEDE MANDELA -- President de Klerk will precede ANC leader Nelson Mandela in a pair of historic visits to the U.S. late next month, Administration officials said Monday, and planners of the Mandela visit expressed anger that de Klerk will visit the White House first. (Washington Post)

NETWORK NEWS (Monday Evening)

FLAG BURNING -- Flag burning is back before the Supreme Court.

CIVIL RIGHTS -- The White House indicated it would sign the Civil Rights bill if it does not contain hiring quotas.

PAN AM 103 -- Government sources say the commission's report on the Pan Am 103 bombing will find the FAA's program to ensure security in air travel is "seriously flawed."

NATIONAL NEWS.....A-1

INTERNATIONAL NEWS...A-8

NETWORK NEWS.....B-1

EDITORIALS.....C-1

NATIONAL NEWS

WHITE HOUSE SHIFTS ON CIVIL RIGHTS ACT Differences With Pending Legislation Described As 'Minimal'

A month after the Bush Administration threatened to veto the 1990 Civil Rights Act, the White House shifted gears Monday and announced that President Bush "would like to sign a civil rights bill" and has only "minimal" differences with the pending legislation.

As Bush was preparing to meet with a dozen black civil rights leaders Monday morning, White House press secretary Fitzwater said changes made in the legislation in the last month had met many of the Administration's concerns....

Civil rights leaders said after an hour-long session with Bush that the President had asked lawyers from their organizations, including the NAACP Legal Defense and Educational Fund, to work with Justice Department and White House lawyers in seeking to reach a compromise on the complex legal issues that remain in dispute....

John Jacob of the Black Leadership Forum, appointed spokesman for the group, said the session was "productive" and noted that Bush has "used the White House as a bully pulpit to preach fairness and justice and equality." He challenged the President to take the "opportunity to put into action the words he has articulated over the past year and a half." (Ann Devroy, Washington Post, A1)

Black Leaders Say Veto Would Jeopardize Bush's Popularity

Black leaders say President Bush will jeopardize his "tremendous popularity" if he vetoes a civil rights bill expanding protection against job discrimination....

While the White House backpedaled a bit from a veto threat the Justice Department made last month, it still expressed concern that some provisions are tantamount to hiring quotas.

NAACP Executive Director Benjamin Hooks said the civil rights groups agreed to have their top lawyers sit down with the Administration's top attorneys to search for common ground. But one adviser, Drew Days III, said, "There is a tremendous gap that has to be bridged."

Days, a Yale Law School professor who was the Carter Administration's chief civil rights attorney, said Chief of Staff Sununu had voiced concerns about "ghosts walking about in the legislation" -- in the form of business leaders' fears of quotas.

..."The President has acted in such a way that for the first time in my memory a Republican president enjoys a tremendous popularity," Hooks said. "The civil rights bill, in my judgment, will become a litmus test." (Christopher Connell, AP)

Bush, Black Leaders Seek 'Common Ground' On Civil Rights Bill

President Bush backed away from earlier opposition Monday and agreed with black leaders to seek "a common ground" on the proposed Civil Rights Act of 1990 that would strengthen job protection for minorities. Black civil rights lawyers will meet with Justice Department attorneys later this week to try to resolve concerns that changes in civil rights laws will lead to job quotas, which are opposed by the Administration.

"We agreed to try to find a common ground," said Arthur Fletcher, chairman of the U.S. Civil Rights Commission. "Attorneys from both sides will meet to see if we can hammer out differences. I'm confident." Fletcher also argued that the legislation would not create quotas, only "goals, targets and timetables." "A quota is a flat number that has to be satisfied irrespective if a person can do the job," he said. "A goal is what all business pursue."
(Thomas Ferraro, UPI)

Black Leaders Quarrel After Courting Bush On Bill

Black leaders of many political stripes came to the White House Monday to persuade President Bush not to veto a civil rights bill and left fighting bitterly among themselves.

"The major issue, the major hangup, is whether it would produce so-called quotas," Civil Rights Commission Chairman Fletcher said after the 90-minute meeting that was called a "listening session" for Bush. White House officials did not report the President's reactions....

While NAACP Executive Director Benjamin Hooks talked to reporters outside the West Wing entrance, hard-liner Robert Woodson shouted him down from the sidelines. "There was no unity," he yelled from several rows back in the crowd. "There were some of us who differed with the civil rights community."

Hooks later took over the microphone when Woodson was speaking there, saying that he had missed the point by contending that poor blacks would be ill-served by the Civil Rights Act of 1990.

(Frank Murray, Washington Times, A3)

EDITOR'S NOTE: "Tiptoeing, Bush Comes To A Fork On Civil Rights," by R.W. Apple, appears in The New York Times, page A20.

THORNBURGH SHUFFLES TWO TOP AIDES IN MOVE TO IMPROVE PUBLIC IMAGE

Attorney General Thornburgh Monday reassigned two of his closest aides in what Administration officials described as a move to improve his battered public image and to restore the traditional hierarchy at the top of his department....

Thornburgh reassigned Robert Ross...and David Runkel...to lesser jobs in the department....

Some associates of President Bush said there had been an "awkward fit" between the White House and the Justice Department for some time. Specifically, officials at the White House had been frustrated by difficulties in placing Bush's political supporters in patronage jobs that Thornburgh wanted for people of his own choosing. White House officials denied that the President ordered Thornburgh to take corrective action.

(David Johnston, New York Times, A1)

-more-

THORNBURGH REASSIGNS TWO TOP AIDES
Mounting Criticism Cited In Shakeup

Attorney General Thornburgh Monday reassigned two of his top aides in a major personnel shakeup Justice Department officials said was designed to curtail mounting criticism over his management style.

Executive assistant Robert Ross and press secretary David Runkel, viewed by critics as part of a "palace guard" that surrounded Thornburgh and froze out even high-ranking department officials, will no longer be involved in daily department operations, officials said. William Barr, named Friday to replace Donald Ayer as deputy attorney general, said he will assume the deputy's traditional role of overseeing the day-to-day management of the department.

"I think you'll see an opening up at the top of the department," said Barr.... Barr said "matters will be handled with dispatch" and "if [officials] need to talk to the attorney general, they can."

Department officials said the changes reflect Thornburgh's recognition that criticism of his management style has cost him political capital outside the department and lowered morale within it.... Barr said he thought the problem was one of image rather than reality, but "to the extent it exists, it's obviously something that has to be dealt with."

(Sharon LaFraniere & Michael Isikoff, Washington Post, A1)

Thornburgh To Announce Staff Shakeup At Justice Department

Attorney General Thornburgh is expected to announce a series of Justice Department staff shakeups this week aimed at restoring more credibility and day-to-day control over the agency, officials say.

Assistant Attorney General William Barr will be promoted to deputy attorney general, and Robert Ross, Thornburgh's executive assistant, will head up a new international affairs office, according to sources.

Ross, who until now has been the closest adviser to Thornburgh, isn't expected to stay in the new job long. Sources say he will leave the international affairs office -- which has not yet been established -- and practice law in about a year....

Thornburgh will also name a new public affairs chief spokesman from outside the department to replace David Runkel..., officials said.... Runkel, taking on a new role as close assistant to Thornburgh, will be responsible for "long-range" press planning efforts, officials said.

(John Bennett, Scripps Howard)

JUSTICES HEAR CLASH OVER FLAG-BURNING
Arguments Produce Few Signals Of Views On 1989 Federal Statute

Solicitor General Starr Monday urged the Supreme Court to uphold the constitutionality of a new federal law that prohibits burning of the U.S. flag, saying the law is necessary to protect "interests of the highest order to the national community."

Starr...told the court Monday that under the new law, "robust, uninhibited debate goes on, unimpeded.... This statute does not inhibit free expression. It prohibits a very narrow form of conduct."

New York lawyer William Kunstler, representing a group of protesters charged with burning flags in the District of Columbia and Seattle, said the law is aimed at stifling political protest.... "To criminalize flag-burning is to deny what the First Amendment stands for," he said. (Ruth Marcus, Washington Post, A6)

Flag-Burning Case In Court: Bush Administration Vs. William Kunstler

The Bush Administration told the Supreme Court Monday that burning the American flag is an attention-getting device similar to using a loudspeaker and does not deserve constitutional protection.

But the attorney for seven defendants accused of burning American flags, [William Kunstler], argued that "once people are compelled to show respect for a symbol, then they are no longer free." ...

In the court hearing Monday, Solicitor General Starr emphasized that "Congress acted carefully and with great respect" for the court's 1989 ruling in revising the federal law.... He argued that free expression is not at issue...because there was "no particularized message being delivered by these individuals here."

...Justice Scalia...questioned Starr closely about the government's position, challenging the argument that a flag-burning law could avoid regulating free expression.

"The meaning conveyed by burning the flag is, 'I hate the United States,'" Scalia said. (Christina Nuckols, Scripps Howard)

Biden Ready to Flag-Protection Amendment -- Just In Case

Sen. Biden says he'll have a flag-protection constitutional amendment ready if the Supreme Court strikes down a law Congress passed last year.

But Rep. Don Edwards, head of the House constitutional rights subcommittee, vowed just as fiercely to resist House passage of such an amendment. "Let's say no to weakening the Bill of Rights," he said Monday. (Merrill Hartson, AP)

REPUBLICANS SEEK BIG TRADE-OFFS FOR ANY TAX HIKE

For President Bush to get the \$720 million in new aid he wants for Panama and Nicaragua, he might have to agree to spend \$185 million to build an FBI fingerprint center in West Virginia and approve the grant of a government-owned 112-foot ferry to American Samoa -- with delivery to Pago Pago billed to the Pentagon....

Bush...argues he should not have to choose between the foreign aid he wants and the various pet projects added by lawmakers. Bush Administration officials and GOP lawmakers have said giving the President a tighter grip on the government's purse strings -- including a line-item veto -- should be the trade-off for any tax increase in deficit-reduction talks between Bush and congressional leaders that are to begin Tuesday. "We shouldn't consider a tax increase independently of major process reforms," OMB Director Darman said. Federal spending, said Secretary Brady, is "a process gone mad."

(John Yang, Washington Post, A5)

Skeptical Parties Prepare For Budget Summit

The White House and Congress, faced with a broad range of politically unpalatable options to tame a worsening federal deficit, sit down to a budget summit Tuesday divided and skeptical.

..."I'm going into it with a lot of certainty about the Democrats -- they want to raise taxes," said Sen. Gramm, one of the summit participants.... "They [Democrats] can wait 'til Jesus comes back if they want to wait for me to raise them." ...

Sen. Mitchell...said Democrats from around the country have contacted him to express doubts about President Bush's motives entering the talks. "There remains a high level of resentment and skepticism among Democrats," Mitchell said. "That obviously makes it difficult."

..."I think there is a measurable level of distrust and a sort of a partisan smell to this negotiation and I think most of it is attributable to the statements that Mr. Sununu has made over the last few days," said Sen. Sasser.

(Bud Newman, UPI)

EDITOR'S NOTE: "Republicans May Find Voters Do, Indeed, See Higher Taxes Being About As Certain As Death," by Jeffrey Birnbaum, appears in The Wall Street Journal, page A26.

COCAINE-RELATED EMERGENCY ROOM VISITS SHOW 22% DECLINE

The number of cocaine-related hospital emergency room visits dropped 22 percent in the last three months of 1989, a possible sign that the explosion of hard-core cocaine abuse in the last several years is finally starting to abate, federal anti-drug officials said Monday. Secretary Sullivan, addressing a national conference on state and local drug policy, cautioned that it is too early to characterize the drop as a "trend." Sullivan added, however, that the data represent "some good news in our progress toward a drug-free America." ... "They confirm what several surveys have indicated over the past year: that we are making significant headway in our efforts to establish a drug-free America."

But Rep. Rangel...said the figures are "outrageously misleading" and called the problem "worse than ever."

(Elsa Walsh, Washington Post, A7)

-more-

Cocaine/Emergency Room Visits

A national drug abuse survey Monday reported the largest drop in emergency-room admissions related to cocaine abuse in five years, and federal officials immediately seized on the numbers as evidence that the government's anti-drug campaign is working.

But Rep. Rangel...questioned the figures, saying they may show merely that cocaine patients are dying before they are "even getting to the emergency room." ...

In a speech Monday to the Office of National Drug Control Policy's conference on state and local drug policy, Secretary Sullivan said the new numbers confirmed "that we are making significant headway in our efforts to establish a drug-free America." Drug czar Bennett, speaking earlier, said, "We may now be seeing a leveling off of addiction." ...

However, Rangel said: "There are record crops being grown, record entries [into the country] of cocaine. There's nothing that the secretary has said to rebut what I'm saying."

(Jack Sirica, Newsday)

PLAN TO FORCE SUSPECTED DRUG PLANES TO LAND EXPECTED

The Bush Administration this week will seek authority to force planes suspected of carrying narcotics to land for inspection, The Los Angeles Times learned Monday.

The proposal, under which pilots who refuse to land would face a felony charge and up to five years in prison, stops short of allowing such planes to be shot down -- as some have urged. But it is still likely to produce substantial controversy.

The provision will be part of the Administration's new anti-drug bill, which is to be unveiled Wednesday, according to a source familiar with the plan....

The official described the plan as a solution that would allow the government to do "everything we can short of shooting the bad guys down." (Douglas Jehl & Ronald Ostrow, Los Angeles Times, A19)

WARHEADS ON HOLD TILL COMPLEX OK'D

The Department of Energy is walking a tightrope in its efforts to clean up and repair the U.S. nuclear weapons production complex in time to meet its schedules for building and servicing weapons regarded by some as vital to maintaining America's strategic deterrent.

According to the undersecretary of energy and some nuclear arms experts, a delay of two or three months in restarting plutonium-processing operations in Colorado this summer will postpone production of warheads for the submarine-launched Trident II D-5 missile, the most modern and accurate U.S. strategic missile....

"The defense complex is ailing," said John Tuck, undersecretary of energy and the top official in charge of nuclear weapons production facilities. (Bill Gertz, Washington Times, A4)

OSHA TOUGHENING RULES FOR PETROCHEMICAL INDUSTRY

ORLANDO, Fla. -- The federal government will adopt tougher safety regulations for the petrochemical industry which will have a "major impact" on the industry, the head of the Occupational Safety and Health Administration said Monday.

The more stringent rules are the result of last year's explosion at the Phillips Petroleum refinery in Houston that killed 23 people, OSHA Chief Gerard Scannell said....

Scannell, speaking at the American Industrial Hygiene Conference...said OSHA was fine-tuning tougher regulations for the industry and would unveil them within the next months. (UPI)

YEUTTER SAYS HOUSE FARM BILL WRONG POLICY, TOO COSTLY

The House blueprint for a new farm policy law could add \$25 billion to federal spending over the next five years and price U.S. farmers out of the world market, the Administration warned Monday.

In addition to urging the House Agriculture Committee to delete proposals to raise crop loan rates and target prices, Secretary Yeutter said "further program changes will still be required" to meet budget targets. (Charles Abbott, UPI)

1-YEAR NEA EXTENSION WEIGHED

Rep. Pat Williams said he will introduce a Bush Administration-endorsed bill to reauthorize the National Endowment for the Arts Tuesday even though he does not have the support of House Republicans, who appear intent on formulating their own legislation to reshape the agency.

The Williams bill would reauthorize the endowment in its current form for five years. But in light of recent signs of eroding congressional support for the NEA, Williams said he is becoming amenable to extending the endowment's life for a year instead of reauthorizing it for the usual five-year span....

Williams noted that the Administration has done very little to support NEA reauthorization. "The President...has made clear he likes the NEA the way it is, or at least the way it was," he said. "He hasn't delivered that message very forcefully to the Republicans in the House."

(Kim Masters & Elizabeth Kastor, Washington Post, C1)

ARTISTS OUTRAGED BY NEA 'DENIAL' OF ON-STAGE SEXUAL PERFORMANCES

Advocates of artistic freedom expressed outrage Monday at the rejection by a NEA advisory panel of 18 grants to theater performers. "The council's action was wrong," said Charlotte Murphy, spokeswoman for the National Campaign for Freedom of Expression, a group affiliated with the National Association of Artists' Organizations. "They totally stepped out of line." ...

On the other hand, the Rev. Donald Wildmon, executive director of the American Family Association..., hailed the weekend action.... "Some reason and sensibility have prevailed among council members," Wildmon said Monday. "It's definitely a signal to the NEA that games as usual won't be played anymore."

(Joyce Price, Washington Times, A1)

HOME FRONT BUSH'S NEW BATTLEGROUND

The thorns in President Bush's political rose garden are suddenly turning domestic.

Foreign policy challenges dominated Bush's first 16 months in office....

But now there's pressing business on the home front. Lobbying by civil rights leaders Monday, budget summitry with congressional leaders Tuesday, battles over the parental leave bill on the horizon -- all crowd the President's agenda.

By his own account, Bush enjoys foreign policy more....

Longtime friend Vic Gold agrees presidents prefer foreign policy, but said Bush "loves it all. It's sort of like being ambidextrous."

(Johanna Neuman, USA Today, 4A)

TEXAS COMMENCEMENT MOVED OUTDOORS

AUSTIN -- University of Texas officials have decided to move Saturday's commencement, featuring an address by President Bush, from the restricted indoor confines of the Erwin Center to spacious Memorial Stadium.

The switch came in response to the unexpectedly voracious demand for tickets and increasingly vocal complaints of graduates upset by university attempts to restrict seating.

(Washington Post, A10)

EDITOR'S NOTES: "Washington Ways: The First Daughter's D.C. Option," by Donnie Radcliffe, appears in The Washington Post, page C2.

"Debate On Puerto Rico's Future Has A Bottom Line," by Peter Passell, appears in The New York Times, page A18.

"Dow Hits Record As Stocks Soar Back To Life -- But Sudden Surge May Be Short-Lived," by Paul Wiseman, appears in USA Today, page 1B.

"[Secret Service] Officer Steps Down, Says He Took Cup," by Mike Folks, appears in The Washington Times, page A4.

INTERNATIONAL NEWS

PHILIPPINE REBELS THREATEN AMERICANS

Talks On U.S. Bases Begin As Communists Vow To Stage New Attacks

MANILA -- Communist rebels, demanding that U.S. military bases in the Philippines be closed, threatened Monday to step up attacks against the 40,000 Americans here as U.S. and Philippine negotiators opened talks on the future of those facilities.

Foreign Minister Raul Manglapus set a caustic tone at the largely ceremonial start of the talks with a tough statement condemning the historic role of the U.S. in the Philippines, while outside, police fired tear gas and used truncheons against anti-base demonstrators. More than 40 people were arrested and five hospitalized in protests across Manila....

The talks...began a day after suspected Communist rebels shot to death two U.S. servicemen outside Clark Air Base.... Monday, the Communist Party's military wing, the New People's Army, threatened more violence against American soldiers, warning the U.S. to "go home or suffer the agony of attrition." In a two-page statement received by news agencies, the NPA's general command vowed that "all our officers and men will carry out, to the last man if necessary, our mission to drive away U.S. aggressors from Philippine soil."

(Keith Richburg, Washington Post, A1)

PHILIPPINE GUERRILLA THREATS OVERSHADOW TALKS ON U.S. BASES

MANILA -- U.S. officials said Tuesday that security around American military facilities in the Philippines would be high on the agenda in current talks with Manila over the future of the bases....

President Aquino said Monday that her government was taking all necessary measures to protect the 40,000 American military personnel and dependents in the country. But she said: "We cannot guarantee a 100 percent fail-safe protection. No government can."

(Jeremy Clift, Reuter)

U.S. SUGGESTS FLEXIBILITY ON PHILIPPINE BASES

The U.S. could turn several small military facilities over to the Philippines government in negotiations under way in Manila, a senior U.S. defense official suggests.

"It's in our interest to be forthcoming," said the official, who spoke with reporters Monday on condition of anonymity. "We're prepared to talk about anything." ...

The official predicted the negotiations could take a year to complete. But Washington has made clear repeatedly that it has severe limits on the amount of financial compensation it can offer and is prepared to leave if the cost is too high, the official said.

"There are ways that we could go...that have to do with a number of facilities [that] may no longer be required. They could be turned over to the Philippines," he said. (Susanne Schafer, AP)

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RETIRED AMERICAN SERVICEMAN STABBED NEAR BASE IN PHILIPPINES

OLONGAPO, Philippines -- A retired American serviceman was stabbed by an unknown assailant near the U.S. Subic Bay naval base west of Manila hours after talks opened on the future of U.S. bases in the Philippines, police said Tuesday.

It was not known if the victim, who was attacked Monday night while walking alone outside the base, was killed.

Police said he was taken inside Subic for treatment but base authorities declined to confirm the incident, saying they were still checking. (Reuter)

PHILIPPINE TROOPS REPORT 63 GUERRILLAS KILLED IN ATTACK

TACLOBAN, Philippines -- Helicopter gunships and light bomber aircraft pounded a communist guerrilla camp in the central Philippines, killing 63 rebels, the military said Tuesday....

The casualty toll was one of the highest this year inflicted on the communist New People's Army. (Reuter)

U.S. URGED TO STRIKE AT TERRORISTS

The U.S. should consider military strikes or covert operations to protect air passengers from terrorists, a Presidential commission is expected to recommend Tuesday....

NBC News Monday also reported that the commission recommends "training for preemptory or retaliatory military strikes against known terrorist enclaves in the nations that harbor them."

The commission...also calls for reorganizing the FAA and the Department of Transportation to give security a higher profile. The report finds that intelligence, evaluation and action in response to credible threats was "flawed" before the bombing [of Pan Am Flight 103] and still has problems.

(Lori Sharn, USA Today, 1A)

S. AFRICAN PRESIDENT TO PRECEDE MANDELA

President de Klerk will precede ANC leader Nelson Mandela in a pair of historic visits to the U.S. late next month, Administration officials said Monday, and planners of the Mandela visit expressed anger that de Klerk will visit the White House first.....

U.S. officials said de Klerk would visit Bush on June 18 and Mandela some days later. A South African Embassy official said "we have no dates" for de Klerk's visit. Mandela is expected to be in the U.S. from June 20 to June 30, and his meeting with Bush is expected to be June 25. Details of his itinerary are to be announced Tuesday by the ANC.

But Randall Robinson of TransAfrica, one of the planners for Mandela's seven-day U.S. visit, sharply criticized the Bush Administration for setting the de Klerk visit before Mandela's. He said black leaders, including himself, Jesse Jackson, Coretta Scott King and others had objected to any de Klerk visit a month ago in a meeting with Secretary Baker on grounds that de Klerk had not yet earned it by dismantling apartheid, freeing prisoners and changing laws. Baker did not respond to the objections, Robinson said.

(Ann Devroy, Washington Post, A1)

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DE KLERK SAYS EUROPE MUST HELP AND NOT HINDER CHANGE

LISBON -- Europe must stop penalizing South Africa for apartheid and start encouraging its transition away from white minority rule, President de Klerk said at a banquet in his honor in Lisbon Monday night.

"The process of reform which has started is irreversible," he declared. "The situation in South Africa calls for a new approach, a reassessment of their attitude toward us by all governments."
(Brendan Boyle, Reuter)

DEMOCRATS AGREE TO REVIEW ANGOLA POLICY

Responding to pleas from black leaders, Sen. Mitchell agreed Monday to consider whether the U.S. should continue arming the rebels fighting Angola's leftist government.

"We will consult with other Democrats...and will respond following that consultation," Mitchell said, adding later, "We haven't decided anything." ...

Although not promising specific action, Mitchell won praise from the black leaders for agreeing to review U.S. policy.

(Gary Silverman, UPI)

WORLD TRADE BODY IS EXPECTED TO LET SOVIETS TAKE PART

In an initial step linking the Soviet Union more closely to the global economy, Moscow is expected to be granted observer status this week at the urging of the Bush Administration in the organization that oversees world trade.

Observer status in GATT...is expected to be approved by the GATT Council at a regular monthly meeting scheduled for Wednesday.

An Administration official said Monday that President Bush wanted a favorable decision before his meeting in two weeks with President Gorbachev as "a tangible sign of American interest in bringing the Soviet Union into the world economy."

(Clyde Farnsworth, New York Times, A1)

GORBACHEV COMDEMNS BALTIC MOVE

Secession Decisions Are Declared Illegal As Showdown Looms

MOSCOW -- President Gorbachev Monday formally declared moves toward secession by Latvia and Estonia to be null and void, setting the stage for a constitutional showdown between the Kremlin and all three Baltic republics.

A Soviet television announcer broke into the main evening news program to read two presidential decrees accusing the legislatures of Latvia and Estonia of violating the "legal rights and interests" of ordinary Soviet citizens....

The presidential decrees did not say what action the Kremlin intends to take against the republics, but they appeared to put Latvia and Estonia in the same constitutional position as Lithuania....

In a telephone interview, Estonian Foreign Minister Lennart Meri acknowledged that the legal differences between the independence declarations of the three Baltic republics were "microscopic" and he called for a united front against Moscow.

(Michael Dobbs, Washington Post, A1)

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**ANTI-INDEPENDENCE DEMONSTRATIONS PLANNED
AS LITHUANIANS SEEK COMPROMISE**

VILNIUS -- Baltic residents opposed to their governments' moves to break with Moscow planned protests Tuesday, a day after Mikhail Gorbachev said independence moves by Latvia and Estonia are illegal.

The prime minister of Lithuania...was preparing a package designed to end an impasse with President Gorbachev that has brought on a crippling embargo against the republic.

Members of the pro-Moscow Lithuanian Communist Party were organizing demonstrations at major factories to protest the Baltic secession drive, said Vladislav Shved, the party's second secretary. Shved said he opposed negotiations with the Lithuanian government....

Pavelas Gilis, secretary of the party, said Russian-dominated Communist Parties planned to stage rallies throughout Lithuania, Latvia and Estonia Tuesday. (Bryan Brumley, AP)

GORBACHEV TO TOUR PARTS OF U.S. AFTER SUMMIT

President Gorbachev has notified the White House that he intends to take his first major tour of the U.S. outside Washington and may meet with former President Reagan in California after the superpower summit, Administration sources said Monday.

Although details were sketchy, officials said they understood Gorbachev would also stop in Minneapolis, where he has been invited to see a number of activities centered on modern U.S. agriculture and industry and to give a speech on U.S.-Soviet cooperation on the environment. (David Hoffman & Ann Devroy, Washington Post, A17)

BAKER SEES FUTURE NEED FOR NATO

NATO should remain the principal instrument for guaranteeing peace in Europe, and despite the diminishing of Cold War tensions, the U.S. should continue to keep military forces on the continent, Secretary Baker said Monday.

Even if all Soviet armed forces are withdrawn from Europe and conventional arms control moves forward, "the Soviet military will retain forces many times larger than those possessed by any other single state," Baker said in a speech prepared for delivery last night in New York before his departure for talks in Moscow with Foreign Minister Shevardnadze.

"American troops will, therefore, need to remain in Europe for as long as they are wanted," Baker added. "But the nature and composition of the American military presence in Europe should change with the threat." (John Goshko, Washington Post, A17)

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BAKER HEADS TO MOSCOW FOR ARMS CONTROL TALKS

Secretary Baker is on his way to Moscow to try to work out arms control agreements with the Soviet Union for signing at the fast-approaching Washington summit.

Baker's aides are not predicting success. "By the end of the week we should know a lot more," a senior U.S. official said before takeoff Monday....

The two sides are in disagreement on several key issues. Gorbachev's problems at home also could get in the way.

"The general assumption is that he has increasingly acquired more of the formal power," said the senior official, who demanded anonymity. "On the other hand, his difficulties with the economy and nationalities, and the general level of dissatisfaction have, perhaps, limited his ability to use that power."

(Barry Schweid, AP)

AS BAKER SETS UP SUMMIT, SOVIETS LAG ON ARMS CONTROL

Secretary Baker is set to arrive in Moscow Tuesday, hoping to clear the way for the signing at this month's summit of two arms control agreements that critics are already calling pacts without substance....

In the past six weeks, Moscow and Washington repeatedly have been at cross-purposes.... Bush Administration experts speculate that Gorbachev either has been forced to cede a larger voice to his military or has been distracted by the Soviet Union's many ethnic and economic woes....

The Soviets "simply haven't been making much movement," said one U.S. official, speaking on condition of anonymity. But he added: "We believe they are still determined to have a START agreement of some kind." (Warren Strobel, Washington Times, A7)

CONVENTIONAL ARMS TALKS LOSE MOMENTUM OF 1989

VIENNA -- The European talks on conventional arms control resumed here Monday amid concern that agreement will not be reached by the end of the year.

Soviet negotiators are said to still be looking to Moscow for instructions on various knotty matters as yet unresolved in the weapons reduction talks among the 23 nations here.

Officials said that the momentum needed for an accord this year must come from Moscow, possibly during this week's talks there between Secretary Baker and Foreign Minister Shevardnadze....

"The talks here are not necessarily on hold," said one Western negotiator in Vienna. "But we see signs that the Russians may be rethinking their position.... It would not be surprising if the Soviets had second thoughts about Europe. Obviously, they are worried about Germany." (William Tuohy, Los Angeles Times, A8)

EAST GERMAN DEFENSE CHIEF: WARSAW PACT SEEMS TO BE BREAKING UP

EAST BERLIN -- East Germany's defense and disarmament minister says the future of the disintegrating Soviet-led Warsaw Pact could be decided at a meeting of the alliance next month.

"It now appears as though the Warsaw Pact is in the process of dissolving itself," said the minister, Rainer Eppelmann. "Whether it has a military-political future depends on the meeting of the disarmament and defense ministers on June 7."

He did not specify where the meeting will be held.

(Kevin Costello, AP)

**KOHL OPEN TO EARLIER JOINT VOTE
Shift Follows Defeat In 2 State Elections**

BONN -- Chancellor Kohl Monday once again stepped up the pace of German unification, saying for the first time that he is open to holding all-German elections late this year.

Kohl backed away from his long-held insistence that the first combined East and West German elections not be held until sometime in late 1991. Kohl's remarks came one day after his ruling CDU suffered a narrow but symbolic defeat in local elections Sunday.

"It is absolutely clear that the question of German unity is now ripe for decision," Kohl said at a news conference. "Everybody who understands anything about international developments advises me, 'Act soon.'"

(Marc Fisher, Washington Post, A12)

MEETING OF U.S., ALBANIAN OFFICIALS REPORTED

A State Department official met with an Albanian diplomat at the U.N. recently to discuss ways of improving relations between the two countries, the department said Monday. It was the first official contact between the two nations in 50 years.

Department spokeswoman Tutwiler said the meeting took place about two weeks ago....

Tutwiler did not name the U.S. official at the U.N. meeting, but other department sources identified him as Curtis Kamman, a deputy assistant secretary for European affairs and the department's ranking East European expert. The sources did not specify when further contacts might take place.

(John Goshko, Washington Post, A18)

NORTH KOREA TO RETURN REMAINS OF FIVE U.S. SERVICEMEN

North Korea announced Monday that it will return the remains of five American servicemen to U.S. authorities later this month, the first Korean War remains to be returned since 1954.

U.S. officials welcomed the offer as "a positive step" toward eventual normal diplomatic ties between the authoritarian government of Kim Il Sung and the governments of the U.S. and South Korea. But the officials quickly added that the U.S....has no immediate plans to upgrade diplomatic relations.

(Bill McAllister, Washington Post, A14)

Lawmakers See Hopeful Sign In Agreement To Return U.S. Remains

Lawmakers are optimistic that North Korea's decision to return the remains of five U.S. soldiers killed in the Korean War will lead to better relations between the U.S. and the Communist nation.

"This is a humanitarian gesture at this time, and we hope we can get into other areas at a later date," Rep. "Sonny" Montgomery said Monday....

"I am very hopeful that this will be the first brick, if you will, in improving the relationship which will mean literally hundreds of remains," said Rep. McCloskey. (Donna Cassata, AP)

SOUTH KOREA REARRESTS DISSIDENT

SEOUL -- South Korean police authorities announced Monday that a leading dissident who won the Robert F. Kennedy human rights award has been arrested as part of a crackdown on anti-government protests.

The arrest of Kim Keun Tae appeared to mark a worsening of South Korea's human rights record.

(Peter Maass, Washington Post, A14)

CHINA CANCELS U.S. DEAL FOR MODERNIZING F-8 JETS

China has told the U.S. that it is pulling out of a \$550 million arms deal that has been the linchpin of efforts at military cooperation between the two countries over the last decade, the Pentagon confirmed Monday....

Under the mammoth arms program, known as Peace Pearl, Grumman Corp....has been working with the Chinese air force to modernize China's F-8 jet fighters....

"The People's Republic of China has decided not to proceed beyond the development phase of the F-8 avionics modernization program at this time," a Pentagon spokesman, Lt. Cmdr. Edward Lundquist, said in response to queries from The Los Angeles Times. "...This was terminated by the Chinese. They made the decision [that] they didn't want to proceed with the production phase."

U.S. officials declined to say what reason China had given, and the Chinese Embassy in Washington would not comment. But sources in the U.S. defense industry and Washington's diplomatic community said that China has been concerned for some time about the prospect of burgeoning costs on Peace Pearl.

(Jim Mann, Los Angeles Times, A1)

**SENIOR CHINESE OFFICIAL 'TAKING A REST' IN U.S.
Ex-Leader In Hong Kong May Be Defecting**

BEIJING -- Xu Jiatusun, until early this year the senior Chinese Communist Party representative in Hong Kong, left recently for an unauthorized stay in the U.S., causing speculation that he has defected to the West.

Xu is reported by Hong Kong newspapers to be residing in Los Angeles with several family members, including his son, daughter-in-law and a grandson....

"Our understanding is that Mr. Xu is now in the United States on vacation," said a U.S. official in Hong Kong.

A spokesman for New China News Agency in Hong Kong issued a terse statement: "As far as we understand it, Mr. Xu has traveled abroad and is taking a rest in the United States." Such a trip by a senior party official appears to be unprecedented, according to foreign analysts in both Beijing and Hong Kong....

A Western diplomat said that neither the U.S. nor China wants to face a new source of tension in the short time remaining before President Bush has to make a decision on China's MFN status. "The U.S. government is bending over backwards to say that Xu has not sought political asylum," the diplomat said.

(Daniel Southerland, Washington Post, A16)

U.S., IRAN SIGN DEAL TO SETTLE SOME CLAIMS

The U.S. and Iran signed an agreement over the weekend to settle 2,795 small U.S. claims as well as a few U.S. government claims against Tehran with a lump sum payment of \$105 million, State Department officials announced Monday.

...A State Department specialist said that the agreement, signed Sunday in The Hague, resolved both a "large number" of claims by American nationals, each for \$250,000 or less, and "10 loans from the government of the United States to the government of Iran for various assistance purposes."

(Nora Boustany, Washington Post, A20)

NATIONS HIT U.S. STANCE ON EMISSIONS

BERGEN, Norway -- The U.S. and Britain were heavily criticized Monday for their refusal to adopt measures curbing carbon dioxide emissions, which scientists have suggested could lead to global warming....

Aides battling to produce a strong document for discussion by the world's environmental ministers complained that only weak resolutions were likely to emerge, with no firm deadline for emission cuts.

"We would have liked a more forceful proposal than the one on the table, but we worked hard for a week and got fierce opposition from one particular country," said EC Environment Commissioner Carlo Ripa Di Meana. "There seemed to be a contradiction in the United States. They propose an advanced clean air bill at home, and then their international approach lags so much behind." ...

"The United States will be on its way to Mars within 30 years," said Danish Environment Minister Lone Dybkjaer. "We should ask them to do their carbon dioxide job on this planet before leaving."

(Ulla Plon, UPI)

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BUSH WILL COMPROMISE TO EXPEDITE LATIN AID

President Bush would let Congress add \$2.38 billion to his Central American aid package, which includes anxiously awaited funds for Nicaragua, if it will break the logjam blocking release of the money, Administration officials said Monday.

...Bush telephoned Speaker Foley to suggest the deal and urged the Democrats to complete work on the emergency aid package, officials said....

The flurry of White House action Monday was prompted by a cable from President Chamorro in which she made an urgent plea for the \$300 million in economic aid included in the President's "Fund for Democracy" package. (Paul Bedard, Washington Times, A1)

WITH WAR ON COCAINE, ACTION SHIFTS TO HEROIN

U.S. and Latin American efforts to stop the smuggling of cocaine into the U.S. have led to an upsurge in the trafficking of heroin, and some U.S. officials believe that the amount of heroin entering this country may surpass that of cocaine....

"The Office of Intelligence is receiving frequent reports on the Colombian cartels' expansion into production of heroin and hashish.... The possibility of an appreciation of heroin production in particular is of great concern to U.S. authorities," said a U.S. intelligence report cabled to Washington from the U.S. Embassy in Bogota. (James Dorsey, Washington Times, A10)

SIX BOMBS EXPLODE IN SANTIAGO; GUARD WOUNDED AT U.S. CONSULATE

SANTIAGO -- Bombs exploded at the U.S. Consulate and five other sites in the capital, causing some damage and injuring a Chilean security guard at the consulate, authorities said....

An anonymous male caller to a Santiago radio station claimed responsibility for the army parking lot bombing on behalf of a previously unknown group calling itself the December 14 Commando.... The group said it was demanding the resignation of Gen. Pinochet. (AP)

CONTRAS TO RETURN UNARMED TO NICARAGUA

TEGUCIGALPA -- Between 400 and 500 Nicaraguan rebels are ready to return unarmed to their homeland and other Nicaraguan refugees have moved to camps away from the border, a Honduran official said Monday.

Foreign Minister Mario Carias Zapata said the contras arrived at Las Trojes near the Nicaraguan border...and were checked and allowed into transition camps monitored by Honduran armed forces. Carias said between 400 and 500 contras "are concentrated [in the camps] and completely disarmed," waiting to be repatriated, and that the government has informed the U.N. of the moves.

(Vilma Rosales, UPI)

CONTRA DEMOBILIZATION MOVING AT SLOW PACE, U.N. SAYS

MANAGUA -- The disarming of up to 17,000 Nicaragua contra rebels is moving at a pace well behind publicly announced goals, a U.N. spokesman said Monday.

A defense ministry statement, meanwhile, said the contras were continuing to violate a negotiated cease-fire, attacking a militia post and an army truck in recent days.

A U.N. spokesman in Managua said that as of Sunday, a total of 556 contras had handed over their weapons. On Sunday only 29 rebels handed over their arms, the spokesman said, citing numbers from all five internationally monitored security zones.

"The figures do not meet the expectations that have been set," the spokesman said. (Reuter)

NICARAGUAN GOVERNMENT DECLARES STRIKE ILLEGAL

MANAGUA -- The government declared Monday a strike by thousands of public employees illegal and said workers have one more day to go back to their jobs before police and the military are brought in to restore order.

"The strike called in the public sector by state workers' organizations is declared illegal, illicit and non-existent," said a government decree read to reporters by Labor Minister Francisco Rosales....

Rosales said if strikers -- most of them supporters of the opposition Sandinista Front -- do not return to their jobs Tuesday, the Nicaraguan police and the military will take charge of maintaining order. (Oswaldo Bonnilla, UPI)

DEVELOPING WORLD'S ROLE IN GLOBAL WARMING GROWS

Developing countries, where populations are growing explosively and where personal income and use of technology are also increasing, will surpass industrialized countries in the next few decades as the major source of carbon dioxide and other gases that cause global warming, according to a U.N. report on world population released Monday.

The report said that by 2025 the countries now comprising the Third World are likely to be spewing four times as much carbon dioxide as the developed world now produces.

(Susan Okie, Washington Post, A4)

GREENSPAN: DON'T RETALIATE AGAINST FOREIGN BANKS

CHICAGO -- Federal Reserve Chairman Greenspan Monday urged Congress not to retaliate against foreign banks from countries that make it difficult for U.S. banks to do business, calling for legislators instead to pass laws to let American banks be more competitive.

Greenspan told a House banking subcommittee hearing in Chicago that it "would clearly be counterproductive to close our own markets to foreign competition merely because foreign markets are less open than we would like." He cautioned that protectionism would only aggravate matters.

"Such action would invite retaliation and would not be very effective in any case," he said. (UPI)

-End of A-Section-

NETWORK NEWS

Monday evening, May 14

FLAG BURNING

ABC's Ted Koppel: A couple of summers ago respect for the American flag was at the heart of the presidential campaign. Today the issue of burning the American flag landed on the doorstep of the U.S. Supreme Court. The debate is relatively simple, the resolution is not.

ABC's Tim O'Brien reports that those who believe there is no constitutional right to burn the flag and those who say it is free speech had their own oral arguments outside the Supreme Court today. Lawyer William Kunstler told the Supreme Court this morning that respect for the flag must be voluntary, that once people are compelled to respect a symbol, they are no longer free. Solicitor General Kenneth Starr for the Bush Administration said the law doesn't prohibit free speech but rather a narrow form of conduct. The law is neutral, insisted Starr, not directed at any particular viewpoint. Justice Scalia did not seem to agree. "Those who burn the flag have but one viewpoint: I hate America." The law was passed after the Supreme Court rejected a Texas law last June that made it a crime to burn the American flag in the presence of someone who may be offended by it. Sen. Biden insists it does not discriminate because it applies to anyone who burns the flag for whatever reason. But critics of the federal law say it is identical in purpose to the Texas law and should be doomed to an identical fate. That would revive calls for a constitutional amendment to protect Old Glory and surely ignite a political firestorm that could consume the November elections.

Koppel says that the U.S. is virtually alone among democratic nations in having laws to protect its flag. (ABC-Lead, CBS-2)

NBC's Tom Brokaw: Another emotional issue in the nation's capital, flag burning. It's back before the U.S. Supreme Court. When the court ruled burning the American flag is protected as free speech in this country, President Bush personally led the drive for a new federal law, and now that is being challenged.

NBC's Carl Stern reports that the key justices who struck down the flag desecration law last term seemed just as skeptical of the new law enacted by Congress. Antonin Scalia asked if Congress could outlaw Bible burning, and Anthony Kennedy suggested that Americans should be proud of tolerance of flag burners. Unless the court upholds the prosecution of those arrested for flag desecration as constitutional under the new law, President Bush and congressional leaders say they will seek to change the Constitution. (NBC-2)

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CIVIL RIGHTS

Koppel:

[TV COVERAGE of President Bush sitting with black leaders.]

At the White House today President Bush met with civil rights leaders who urged him to sign a new civil rights bill that's now working its way through Congress. It would provide additional protection to minorities and women against job discrimination. The White House indicated that the President is likely to sign the bill if it does not contain hiring quotas. (ABC-3)

Brokaw: President Bush has reservations about a new civil rights law before Congress, and civil rights leaders in turn are concerned about his reservations. At a time when there do seem to be more and more racial incidents around the country, they took their concerns to the source today.

NBC's Jim Miklaszewski:

[TV COVERAGE of President Bush sitting with black leaders.]

The relaxed mood at the start of today's meeting reflects a new relationship between the nation's black leaders and the White House. But these leaders warned that could all change if President Bush decides to veto a civil rights bill now pending in Congress. (Benjamin Hooks, NAACP: "The civil rights bill, in my judgement, will become a litmus test.")

The bill is intended to reverse the effect of a number of recent Supreme Court civil rights decisions. Those rulings made it more difficult for minorities and women to win discrimination lawsuits against employers. But White House Chief of Staff Sununu and other conservatives think the legislation goes too far -- that it would establish racial hiring quotas and put an unfair burden of proof on employers to prove they're not discriminating.

(Sen. Hatch: "The employer will no longer be able to choose his or her employees based upon the most qualified employee. They're just going to have to take people, and they're going to have to do it by quotas.")

Senate sponsors strongly disagree.

(Sen. Kennedy: "Effectively, the idea of quotas is a red herring. What we are attempting to do is to restore the law to what it was before.")

Unlike Ronald Reagan, George Bush has gone out of his way to publicly support civil rights and court blacks.

[TV COVERAGE of President Bush with a black leader in the Oval Office.]

Polls show he's the most popular Republican president among blacks in 30 years. But critics say his actions have not matched his words.

(Jesse Jackson: "It's not a good performance. It is basically superficial, sound bites and photo-ops.")

(Ralph Neas, Leadership Conference On Civil Rights: "Indeed, if you look at issues of race and sex discrimination, there is very little difference between the Meese Department of Justice under President Reagan and the Thornburgh Department of Justice under President Bush.")

Despite conservative pressures to kill the bill, the White House will now sit down with black leaders to try to hammer out a compromise. Officials here say the last thing the President wants to do now is to veto a civil rights bill. (NBC-3)

-more-

PAN AM 103

Brokaw: Tonight we begin with an exclusive report on the chilling conclusions of a presidential commission that investigated the terrorist bombing of Pan Am Flight 103, that 1988 crash that killed 270 people altogether.

NBC's Robert Hager: The commission's report will be presented to President Bush at the White House tomorrow, and government sources tell NBC News that it'll find the FAA's program to ensure security in air travel is "seriously flawed," and that the report will say the program needs major reform. To get tough against terrorists, sources say the commission will recommend consideration of U.S. military strikes, specifically training for preemptory or retaliatory military strikes against known terrorist enclaves in the nations that harbor them. Where that's impossible the commission will recommend covert operations. As for screening airline luggage for bombs, the commission will say the new program to force airlines to buy hundreds of million-dollar thermal neutron analysis screeners should be deferred. It says they don't work. - a blow to Transportation Secretary Skinner, who pushed TNA screeners, and a blow to the FAA, whose standards chief Monte Belger said this last September:

(**Belger:** "This machine, I am convinced, is the best explosive detection system available in the world.")

But the commission will find that a TNA screener could not have detected the bomb that destroyed Pan Am 103 because that bomb was so small. About warnings in advance of terrorist threats, the commission will recommend that some mechanism be developed to distribute word of threats ahead of time to passengers so they could make informed decisions about whether to fly. Finally, the commission will be very critical of Pan American, finding that on the day of the accident the airline failed to follow standing FAA instructions that all suspicious luggage be searched by hand. Instead, Pan Am searched only by X-ray machine and many believed missed the bomb. The commission will recommend that some responsibility for security be taken away from the FAA and given to a new assistant secretary of the Department of Transportation, and he would be in charge of guiding policy on aviation security.

Brokaw talks with **Hager**:

Brokaw: What is the government likely to do about this report once the President receives it tomorrow?

Hager: The White House has been very cautious about that. It's instructed that so far the press is not being allowed in when the commission presents its report to the President in the morning. One head, however, has already rolled at FAA. Their director of security has been transferred to a lower-level job in Florida.

Brokaw: What about the families of the victims of Pan Am 103? They've been very active in all of this. What will they think?

Hager: I think they'll be generally pleased with the report, but they'll take exception to one part, one missing element. They wish the commission had fingered Syria and Iran for playing some role in the bombing. But the commission apparently chose to be more cautious than that.

-more-

(NBC-Lead)

U.S. BASE TALKS

Koppel: In Manila the future of U.S. military bases in the Philippines was under discussion today, while on the streets, shouts of "Yankee go home" and the smell of teargas again filled the air. The two biggest bases, Clark and Subic Bay, have been there since the beginning of the century. At issue, will they still be there at the end?

ABC's Mark Litke reports that there were smiles and polite handshakes as the talks began, but there was also tension and acrimony. Foreign Affairs Secretary Raul Manglapus struck first, claiming that America has broken promises. The most recent, Washington's decision to slash \$96 million from a two-year aid package for continued use of the six military bases here.

(Manglapus: "The bilateral relations of any two nations can look forward to no significant future if one cannot count on the other's word.")

American negotiator Richard Armitage was equally blunt. If Filipino nationalism and the demand for more money means the bases must go, so be it.

(Armitage: "And if you ask us to leave, leave we shall, as expeditiously as possible and with our pride fully intact.")

Clearly tensions here were heightened by the tragic events outside Clark Air Base only hours before, where two young American airmen were shot to death at point blank range. Today security at the bases was intensified, all leaves canceled, as American and Filipino soldiers tried to track down the killers presumed to be communist rebels. But the anti-American violence by communists and other radicals here continued today as riot police used clubs and teargas to break up demonstrations near the U.S. Embassy. At the end of this first day of talks both sides indicated that whatever the outcome good relations between the U.S. and the Philippines would be maintained. But as part of their tough negotiating stance both also said that without an agreement soon the bases may well be shut down when their lease expires in 1991. (ABC-8)

NBC's Jim Maceda reports that some government officials say privately they want much more than the current \$400 million a year the Philippines gets for use of the bases. (NBC-9)

CBS's David Martin reports that there are powerful incentives for both sides to preserve the base agreement. The American military creates 500,000 jobs and \$1 billion a year in revenue for the Philippine economy. And the Pentagon estimates it would cost \$3 to \$4 billion to relocate the bases elsewhere in the Pacific. (CBS-6)

DOW JONES/BUDGET SUMMIT

Brokaw: This is the eve of the budget summit meeting between President Bush and congressional leaders, and on Wall Street today anticipation of those talks helped cause the Dow industrial index to hit a record high, [after closing the day up 19.95]. (NBC-12)

BALTICS

CBS's Dan Rather: Mikhail Gorbachev is now clearly facing the worst political crisis of his five years in power. He is taking a new, even harder stand against the independence movements of the Baltic states. Today he issued a statement blasting Latvia and Estonia, saying that their declarations of independence are clearly illegal. This comes against the backdrop of a mounting economic crisis. There are shortages everywhere, and as Secretary of State Baker flies here for talks that could make or break the Bush-Gorbachev summit in America this month.

CBS's Peter Van Sant reports from Latvia that in an escalation of tension, Soviet army officers clashed with demonstrators outside the Latvian parliament this morning. The soldiers were attempting to enter the building and confront the leaders of what they consider an outlaw government. The army sent a message today that independence will not come without a struggle. Officers demanded that Latvia hold a republic-wide referendum on independence, and as a show of force they said that soldiers tomorrow will block entry to the Latvian parliament, shutting down the new government. In an effort to head off confrontation, Latvia's parliament is sending a five-man delegation to Moscow tonight. But sources have told CBS News that Moscow will not talk. (CBS-Lead)

Koppel: Soviet President Mikhail Gorbachev said today even a go-slow approach in the Baltics toward independence is too fast. Unlike Lithuania, both Latvia and Estonia have called for a transition period. Mr. Gorbachev said it's still illegal. (ABC-9)

GORBACHEV

Koppel: In two weeks Mr. Gorbachev flies to Washington for the summit with President Bush. Word tonight that besides the official state visit in Washington Mr. Gorbachev would also like to travel to Minnesota and California, possibly to see former President Reagan. (ABC-10, NBC-6)

POPULATION

Koppel: The world continues to get more crowded at the rate of three new babies every second. A new report today from the U.N. Population Fund says that by the year 2100 the world population could nearly triple to 14 billion. (ABC-11)

FLOODING

Schieffer: In Texas today 7,000 residents were told to evacuate their homes along the Trinity River, which is swollen from recent rain. Officials said damage from rain and flooding in northern Texas could approach \$700 million. Meantime, heavy weekend rain in Louisiana, which already forced the evacuation of 60 families near Shreveport, now threatened the most disastrous flooding in 45 years. It's estimated 600 square miles will flood in Louisiana. (CBS-10, ABC-7, NBC-7)

NAVY CRASH

CBS's Bob Schieffer reports that four people were reported missing today after a Navy helicopter crashed into the Atlantic about 17 miles southeast of Mayport, FL. The Navy said that none of the four has been found, but parts from the chopper have been recovered. According to the Navy the craft was one of three anti-submarine warfare craft returning home to Pennsylvania after maneuvers in the Bahamas. (CBS-7)

ABORTION

Koppel reports that on another matter before the Supreme Court, a defeat today for the anti-abortion group Operation Rescue. The court said that a claim of free speech does not give them the right to block access to abortion clinics in Atlanta, GA. A lower court injunction ordering demonstrators to stay away is legal. (ABC-2, CBS-3)

MANDELA

Brokaw: The man leading South Africa's racial struggle, Nelson Mandela, will visit the U.S. next month and meet with President Bush at the White House. He'll also address a joint session of Congress. Organizers of his trip say that Mandela will be honored with a ticker tape parade in New York City. (NBC-5)

HUBBLE TELESCOPE

Schieffer: Still more trouble tonight with the Hubble Space Telescope. Scientists trying to get the \$1.5 billion telescope to work now say its first historic snapshot of deep space will have to be postponed again until Saturday now at the earliest. The telescope failed its first focusing test when it became confused by the light of an unexpectedly bright star. (CBS-9)

-end of B-section-

EDITORIALS/COLUMNISTS

FAMILY LEAVE

A Modest Parental-Leave Bill -- "The parental-leave bill approved last week by the House is a modest step toward a more humane social policy. It hardly deserves to become the center of an all-out election-year fight between the President and Congress. If the Senate keeps its version of the bill within the narrow bounds set by the House, such a measure would deserve President Bush's signature.... Democrats are surely ready to remind Bush of his statement during the 1988 presidential race: 'We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness.' If President Bush wants to sustain his image as a 'kinder, gentler' leader, he should resist the temptation to overuse his veto power. It does the President and his Republican allies no credit to be seen as naysayers on such social initiatives as the clean-air overhaul, the day-care bill and the parental-leave measure. The economy can surely absorb the costs of such reasonable social-policy measures."
(Cleveland Plain Dealer, 5/13)

The Parental-Leave Standoff -- "...Opponents from corporations and small businesses have convinced President Bush that the bill is too costly, that it could place them at a competitive disadvantage, and that no job benefit should be mandatory. These are hollow arguments. The GAO says that unpaid leave costs employers \$5.30 a year per employee, or 10 cents a week. As matters stand, workers and taxpayers lose far more. American workers lose \$12.2 billion a year in earnings when they have to give up jobs rather than take a leave to care for a new baby, stay with an ailing family member, or recover from an illness or injury of their own. Taxpayers expend \$4.3 billion to tide those workers over with unemployment compensation, Medicaid and food stamps. American business, however, has good reason to be wary that unpaid leave represents only a beginning on this issue. Other nations do far more.... Since many Republicans see parental leave as a basic family issue, President Bush will be hard put to justify a veto on this bill."
(Boston Sunday Globe, 5/13)

Parental Leave -- There's No Call To Melt Before Veto Threat -- "President Bush's rhetoric about families doesn't amount to much when it comes to a pending bill that would guarantee short, unpaid leaves so that workers could meet family responsibilities.... Congress shouldn't fail to ensure minimal job-security for working parents who need time off in the hope that the lack of guaranteed leave would keep women from taking jobs in the first place.... Most parents of young children work because they need the money. It's hard to understand why this legislation has attracted such rabid opposition inside the beltway. Half of the states, including New Jersey, have enacted guaranteed-leave laws.... But since every American worker deserves this basic protection, it's time for the nation's timid leaders to follow suit."

(Philadelphia Inquirer, 5/9)

The Non-Benefit Bill -- "...The White House announced the other day that it would veto a 'family leave' bill now in Congress. The President's decision is good public policy.... It would be helpful if policy positions were discussed according to their merits rather than the moral make-up of the person who holds them. Sadly, politics doesn't work that way. The President should stick to his position nevertheless.... The crux of the President's objection lies in the word 'require.' As proof of his kindness and gentleness, President Bush has long exhorted private businesses to give their workers the type of benefits mandated by the bill. But he argues, rightly, that the federal government has no place dictating the terms of employment made between private employer and employee. Beyond the fundamental question about government's role, the bill presents other problems. It will rescind the right of both employer and employee to choose different benefits that may be more important to them, since the mandated benefit will supersede any other. Today workers can negotiate among a range of options; Older workers, for example, whose children are grown, have no need of parental leave. The bill will likely result in a net loss of benefits to them. The current flexibility boosts job creation, social mobility, personal choice and economic growth. Government diktats -- even those undertaken with the kindest and gentlest of motives -- do quite the reverse."

(Scripps Howard, 5/10)

Pro-Family Bush Snubs Real Family Law -- "...Family values have little real standing in so-called pro-family politics. They are given sentimental lip service, but the politics are in the cause of a larger, reactionary agenda. The pro-family label is used as an intimidating means to ends that include denying women safe, lawful abortions, censoring art and entertainment, forcing religion into public schools and so on. There is little practical concern about systemic strains on families and ways to ease them.... An increasing number of companies are offering benefits like those proposed by the [family-leave] legislation. Managers realize it is good business, making employees more loyal and letting companies keep people who have built up valuable experience. But business organizations, led by the U.S. Chamber of Commerce, oppose mandatory policies, and Mr. Bush answers when business calls. The President, however, presumably remains available for his customary, pandering speeches to the pro-family organizations, loaded with crowd-pleasing nostalgia hogwash and with ideas for punitive laws to bludgeon folks into the pro-family line."

(Atlanta Constitution, 5/9)

-end of News Summary-

THE WHITE HOUSE

WASHINGTON

May 15, 1990
1:10 pm

PHONE CALL FOR THE PRESIDENT

FROM: CHESLEY PRUET
214 - 831-1125 (mobile phone)

Would like to talk to the President about the Red River overflow -- thinks what he has to say will influence the President's decision on whether a national disaster is declared. (I did not tell him that the President had signed the declaration this morning)

Bridget Montagne

Patty: Barry McBee
in Cabinet Affairs has
been working on this --

could he return the call
for the President??

B

*yes
have
Barry call
Saying POTUS asked him
to
Budget Summit
visit by
Tunisian Pres.
etc.*

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03. Notes	Handwritten notes of meeting Re: various issues (2 pp.)	05/15/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, May 15, 1990

Date Closed: 4/27/2010	OA/ID Number: 90547-007
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

Presidential Phone Calls



DATE:

5-15-90

TIME:

5:42

incoming/outgoing

WITH:

Brady

SUBJECT:

Budget news

Get matter - Numbers
but won't get process
reform -

Deal big enough
to get some power
back from Hill to

FOLLOW UP:

White House

Need to stay tough
on process reform



DINNER

Stonington, John D. O'Connell

Zine El Abidine Ben Ali
President of the Republic of Tunisia

Supreme of Salmon on Gelée
Dilled Cucumber Sauce
Fennel Galettes

Rack of Lamb Persillade
Mashed Butternut Potatoes
Asparagus Hollandaise

Bibb Lettuce and Arugula
Herbs Vinaigrette
Brie Cheese

White Chocolate Cake
with Fresh Fruit
Raspberry Sauce

DeLoach & Randonnag, 1988

Hillside Select Shaffer Vineyards 1984
Elysium Quarry Winery 1988

THE WHITE HOUSE
Tuesday, May 15, 1990

Heard Bush
u.s. rep said
if use word
"illegal" we
veto

Presidential Phone Calls



DATE: _____

TIME: _____

7:30 AM.
Incoming/outgoing

WITH: _____

5-15

SUBJECT: _____

Lee Atwater

① doing right thing on civil rights
hope you can sign it
"today's story OK"

② Get out Thursday

Sounded good

FOLLOW UP: _____

Doro wrote
Talled to Feb

Bush Presidential Library Photocopy

THE WHITE HOUSE
WASHINGTON

DATE: 5-15-90

FROM THE PRESIDENT

To:

✓ Rusty Stamb

photo - dog

↑
Invite Roussel
Rusty's friend
←

THE WHITE HOUSE
WASHINGTON

May 15, 1990

1:18pm

THE PRESIDENT HAS SEEN

For the President,

You were called by Vic Gold.

Mr. Gold would like you to know that he is flattered to be one of those asked to observe the Roumanian election. His father was from Roumania; it is Mr. Gold's first trip to the country and he appreciates being selected.

kt

998-7711

No need to return the call.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04a. Note	Re: photo of Millie to Janet Johnson [redaction of personal information] (1 pp.)	n.d.	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, May 15, 1990

Date Closed: 4/27/2010	OA/ID Number: 90547-007
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

when we get the other
photo of millie ...add
to these 2 and send all
3 to Janet Johnson
address on back.....
w/ card from potus

thanks

(b)(6)

just fyi

Document Originally
Attached to
Following Page

From the desk of
George Bush

Disarm

and

Millie Rix

*✓ dme
bmm
5/30*

Document Originally
Attached to
Following Page

Bush Presidential Library Photocopy

Bush Library Photocopy
George Bush Handwriting

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04b. Note	Handwritten notes of Presidential Phone call with Janet Johnson Re: personal problems [double-sided] (1 pp.)	05/15/[90]	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, May 15, 1990

Date Closed: 4/27/2010 **OA/ID Number:** 90547-007

FOIA/SYS Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

AR Case #:

AR Disposition:

AR Disposition Date:

Appeal Case #:

Appeal Disposition:

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MR Case #:

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MR Disposition Date:

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

HARRY CONNICK, JR. / THE EAST ROOM
TUESDAY, MAY 15, 1990

- O BARBARA AND I WANT TO THANK HARRY CONNICK, JR. FOR COMING TO THE WHITE HOUSE TONIGHT. HIS SONGS AND MASTERY OF THE KEYBOARD WERE SIMPLY A DELIGHT.
- O WHEN YOU CONSIDER HIS MANY ACCOMPLISHMENTS, AND THEN LOOK AT HIS AGE -- HARRY, YOU'RE GIVING MOZART A RUN FOR HIS MONEY.
- O BARBARA WANTED TO HEAR "DON'T GET AROUND MUCH ANYMORE" TONIGHT, BUT FRANKLY, IT DOESN'T FIT EITHER ONE OF US VERY WELL!

daily



In honor of
HIS EXCELLENCY
ZINE EL ABIDINE BEN ALI
PRESIDENT OF THE
REPUBLIC OF TUNISIA



THE WHITE HOUSE
Tuesday, May 15, 1990

HARRY CONNICK, JR.

Born in New Orleans, Harry Connick, Jr. grew up with the city's many musical styles of R&B, Dixieland, and the various jazz forms of stride, bebop, and honky tonk. Musically active at a young age, he studied classical piano and jazz with the respected teachers, Betty Blancq, Ellis Marsalis, and his son Wynton, the well-known jazz trumpeter. He was influenced by the great artists, James Booker, George Shearing, Thelonious Monk, Erroll Garner, and Duke Ellington. An early appreciation of traditional, pure jazz, and his own sense of "swing" has made Harry Connick, Jr. one of today's more natural entertainers. The 22 year-old pianist and vocalist has been on tour since November with his top-selling sound track from the film hit, "When Harry Met Sally." A serious musician, the clever and charming Harry Connick, Jr. has a classic American style appreciated by all generations.

Selections by
HARRY CONNICK, JR.

BENJAMIN WOLFE
Bass

SHANNON POWELL
Drums

RUSSELL MALONE
Guitar



SEQUENCE OF EVENTS:

ARRIVAL CEREMONY/RECEPTION/MEETING

His Excellency

Zine El Abidine Ben Ali,

President of the Republic of Tunisia

Tuesday, May 15, 1990

TIME:

9:00 a.m. - 11:30 a.m.

LOCATIONS:

South Lawn/Blue Room/

Oval Office/Cabinet Room

DRESS:

Business Suit/Day Dress

FROM:

Laurie Firestone *LF*

9:55 a.m. **THE PRESIDENT and MRS. BUSH meet in the West Garden Room and proceed to the South Lawn at cue from the Military Aide.**

10:05 a.m. **THE PRESIDENT and MRS. BUSH are introduced to His Excellency Zine El Abidine Ben Ali, President of the Republic of Tunisia, by Ambassador Reed.**

10:20 a.m. **At the conclusion of the Arrival Ceremony, THE PRESIDENT and MRS. BUSH escort President Ben Ali from the South Lawn through the West Garden Room to the State Floor via the elevator for receiving line.**

**Ambassador Reed (to introduce)
THE PRESIDENT
President Ben Ali
MRS. BUSH**

10:30 a.m. **At the end of the receiving line, Ambassador Reed will escort THE PRESIDENT and President Ben Ali to the Oval Office via the elevator.**

MRS. BUSH returns to residence.

THE WHITE
WASHINGTON

cc phone log file

DATE: May 16, 1990

FROM THE PRESIDENT *as*

TO: JIM WRAY

When I was Chairman of the RNC, Janet Johnson, then RNC member from California, became co-chair of RNC. She did not work out and left. She now lives in Winters, California. Can you find out what happened to her. She called yesterday, sounding strange.

Ivy Baker Priest was her guru. Maybe Bob Finch, Younger (dead?), or Flournoy will recall.

Thanks.

(her home #: 916-795-2020)

VC

nd

reling

THE WHITE HOUSE
WASHINGTON

PHONE CALL - 5/15/90

To Jim Wray.

When I was
Chairman RNC, Janet
Johnson - then RNC
member from California,
became co-chair of RNC
She did not work out and
left.

She lives in Winters
California -

Can you find out
what happened to her.
She called today, sounding
strange (over)

cc phone log file

Bush Presidential Library Photocopy

916 40
795-2000

Thank

on Flannery
will recall?

Younger (dead?)

Her Bob Finch,

Maybe some old

was her 9 years

Ivy Baker
Prest

STATE DINNER (TUNISIA) TUESDAY, MAY 15, 1990 - 7:30 PM - EAST ENTRANCE
(130)

THE PRESIDENT & MRS. BUSH

HE ZINE EL ABIDINE BEN ALI
PRESIDENT OF THE REPUBLIC OF TUNISIA
HE Mohamed El Jari
Minister & Director of the President's Office
HE Ismail Khelil
Minister of Foreign Affairs
HE Mouldi Zouaoui
Secretary of State to the Minister of Economy & Finance
HE Naziha Mazhoud
Vice President of the Chamber of Deputies
HE Abdelaziz Hamzaoui
Ambassador of Tunisia to the United States
HE Salah Baccari
Advisor to the President
HE Jamaledine Chichti
Advisor to the President
Dr. Mohamed Gueddiche
Physician to the President
HE Mohamed Berrehouma
Director of Presidential Protocol
Mr. Abderrahmane Balhadj Ali
Director General of Presidential Security
Mr. Abdelhafidh Harguem
Director of Information at the Presidency
Colonel Brahim Boudabbous
Aide-de-Camp
Mr. Ali Mabrouk
Presidential Senior Staff

Mr. & Mrs. John Adams (Dorothy)
Santa Barbara, CA
Mr. & Mrs. Ben F. Andrews, Jr. (Carol)
Vice President, Connecticut Securities & Investment Corp.
Mr. & Mrs. Victor Beghini (Anna Mae)
President, Marathon Oil Company
Hon. (Sen.) & Mrs. Rudy Boschwitz (Ellen)
R/Minnesota
Hon. Lauro Cavazos
Secretary of Education
The Secretary of Defense & Hon. (Dr.) Lynne V. Cheney
Mr. Harry Connick, Jr. & Ms. Jill Goodacre
Entertainer
Hon. & Mrs. William Diefenderfer (Sandy)
Deputy Director, OMB
Mr. & Mrs. Thomas J. Donohue (Elizabeth)
CEO, American Trucking Association
Hon. & Mrs. Robert K. Dornan (Sally)
R/CA
Ms. Elizabeth H. Drew
Vice President, William Morrow & Company
Mrs. Nancy Berg Dyke
Director, International Programs, NSC

Mrs. Lawrence S. Eagleburger (Marlene)
Wife of Deputy Secretary of State

Miss Linda Evans & Mr. Yanni Christopher
Actress --- Composer

Mr. & Mrs. Pepe Fanjul (Emelia)
Palm Beach, FL

Mr. & Mrs. Raymond Floyd (Maria)
Golfer

Hon. & Mrs. Bill Frenzel (Ruth)
R/MN

Mr. & Mrs. Luis Guinot (Marta)
Attorney

The Reverend (Dr.) & Mrs. John C. Harper (Barbara)
St. John's Church, Lafayette Square

Hon. (Sen.) Orrin G. Hatch
R/UT

Mr. & Mrs. Brent Hatch (Mia)
Associate Counsel to the President

Mr. & Mrs. Charles J. Heringer, Jr. (Marynell)
Billings, MT

Mr. & Mrs. Terry Holland (Ann)
Director of Athletics, Davidson College

Mr. & Mrs. E. Neville Isdell (Pamela)
President, U.S./Tunisia Business Council

Mr. & Mrs. Adrian C. Israel (Joy)
A.C. Israel Enterprises, Inc.

Mr. & Mrs. Richard J. V. Johnson (Belle)
Chairman & Publisher, The Houston Chronicle

Hon. & Mrs. John Kelly (Marita)
Assistant Secretary of State for Near Eastern & South Asian Affairs

Justice & Mrs. Kennedy (Mary)
The Supreme Court of the United States

General & Mrs. William Knowlton (Peggy)
Arlington, VA

Mr. & Mrs. Ralph S. Larsen (Dorothy)
CEO, Johnson & Johnson Corporation

Hon. & Mrs. Edward R. Madigan (Evelyn)
R/IL

Mr. & Mrs. Frank Mancuso (Fay)
Chairman & CEO, Paramount Pictures Corporation

Mr. & Mrs. Buck A. Mickel (Minor)
Chairman & CEO, RSI Corporation

Mr. & Mrs. Thomas M. Miller (Kathryn)
Indianapolis

Mr. & Mrs. Joe Morgan (Theresa)
Former Professional Ballplayer

The Secretary of Commerce & Mrs. Mosbacher (Georgette)

Dr. & Mrs. Steven Muller (Margie)
President, Johns Hopkins University

Mr. & Mrs. Burl Osborne (Betty)
President & Editor, Dallas Morning News

Mr. & Mrs. John K. Overbey (Susan)
Austin, TX

Hon. (Amb.) & Mrs. Robert H. Pelletreau, Jr. (Pamela)
U.S. Ambassador to Tunisia

The Vice President & Mrs. Quayle

Mr. & Mrs. Richard Raines (Joan)
Adele Simpson Inc.
The Chief of Protocol
Rear Admiral Frederick M. Reeder
Laurel, MS
Mr. & Mrs. Don Rickles (Barbara)
Actor/Comedian
Hon. (Dr.) & Mrs. Ronald Roskens (Lois)
Administrator, AID
Mr. & Mrs. Steven J. Ross (Courtney)
New York
Hon. (Gen.) Brent Scowcroft
Assistant to the President for National Security Affairs
Mr. & Mrs. John Sculley (Leezy)
CEO, Apple Computer Inc.
Hon. (Amb.) & Mrs. Talcott Seelye (Joan)
President, American Tunisian Association
Mr. Frank Sesno & Ms. Kathleen Sanderson
CNN
Mr. John Dorrance Smith & Ms. Stephanie Zaharoudis
Executive Producer, Nightline, ABC
Professor & Mrs. Lyman Spitzer (Doreen)
Princeton University
Mr. & Mrs. Robert H. Stewart III (Pam)
Dallas
Mr. & Mrs. George W. Strake, Jr. (Annette)
Co-Chairman, Economic Summit
Hon. (Gov.) John H. Sununu
Chief of Staff to the President
Hon. (Judge) & Mrs. Clarence Thomas (Virginia)
U.S. Court of Appeals for the D.C. Circuit
Dr. Susan Waltz
Florida International University
Mr. & Mrs. C. David Welch (Gretchen)
Director, Near Eastern & South Asian Affairs, NSC
Mr. & Mrs. James W. Wilson, Jr. (Wynona)
Jim Wilson & Associates, Inc.
Mr. & Mrs. Charles Alan Wright (Custis)
Austin, TX
Admiral & Mrs. Paul A. Yost, Jr. (Janice)
Commandant, U.S. Coast Guard



News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, MAY 15, 1990 -- 6:00 A.M. EDT EDITION

TODAY'S HEADLINES

NATIONAL NEWS

WHITE HOUSE SHIFTS ON CIVIL RIGHTS ACT -- A month after the Bush Administration threatened to veto the 1990 Civil Rights Act, the White House shifted gears Monday and announced that President Bush "would like to sign a civil rights bill" and has only "minimal" differences with the pending legislation.

(Washington Post, Washington Times, AP, UPI)

INTERNATIONAL NEWS

U.S. SUGGESTS FLEXIBILITY ON PHILIPPINE BASES -- The U.S. could turn several small military facilities over to the Philippines government in negotiations under way in Manila, a senior U.S. defense official suggests. (AP)

S. AFRICAN PRESIDENT TO PRECEDE MANDELA -- President de Klerk will precede ANC leader Nelson Mandela in a pair of historic visits to the U.S. late next month, Administration officials said Monday, and planners of the Mandela visit expressed anger that de Klerk will visit the White House first. (Washington Post)

NETWORK NEWS (Monday Evening)

FLAG BURNING -- Flag burning is back before the Supreme Court.

CIVIL RIGHTS -- The White House indicated it would sign the Civil Rights bill if it does not contain hiring quotas.

PAN AM 103 -- Government sources say the commission's report on the Pan Am 103 bombing will find the FAA's program to ensure security in air travel is "seriously flawed."

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NETWORK NEWS.....B-1

EDITORIALS.....C-1

NATIONAL NEWS

WHITE HOUSE SHIFTS ON CIVIL RIGHTS ACT Differences With Pending Legislation Described As 'Minimal'

A month after the Bush Administration threatened to veto the 1990 Civil Rights Act, the White House shifted gears Monday and announced that President Bush "would like to sign a civil rights bill" and has only "minimal" differences with the pending legislation.

As Bush was preparing to meet with a dozen black civil rights leaders Monday morning, White House press secretary Fitzwater said changes made in the legislation in the last month had met many of the Administration's concerns....

Civil rights leaders said after an hour-long session with Bush that the President had asked lawyers from their organizations, including the NAACP Legal Defense and Educational Fund, to work with Justice Department and White House lawyers in seeking to reach a compromise on the complex legal issues that remain in dispute....

John Jacob of the Black Leadership Forum, appointed spokesman for the group, said the session was "productive" and noted that Bush has "used the White House as a bully pulpit to preach fairness and justice and equality." He challenged the President to take the "opportunity to put into action the words he has articulated over the past year and a half." (Ann Devroy, Washington Post, A1)

Black Leaders Say Veto Would Jeopardize Bush's Popularity

Black leaders say President Bush will jeopardize his "tremendous popularity" if he vetoes a civil rights bill expanding protection against job discrimination....

While the White House backpedaled a bit from a veto threat the Justice Department made last month, it still expressed concern that some provisions are tantamount to hiring quotas.

NAACP Executive Director Benjamin Hooks said the civil rights groups agreed to have their top lawyers sit down with the Administration's top attorneys to search for common ground. But one adviser, Drew Days III, said, "There is a tremendous gap that has to be bridged."

Days, a Yale Law School professor who was the Carter Administration's chief civil rights attorney, said Chief of Staff Sununu had voiced concerns about "ghosts walking about in the legislation" -- in the form of business leaders' fears of quotas.

..."The President has acted in such a way that for the first time in my memory a Republican president enjoys a tremendous popularity," Hooks said. "The civil rights bill, in my judgment, will become a litmus test." (Christopher Connell, AP)

Bush, Black Leaders Seek 'Common Ground' On Civil Rights Bill

President Bush backed away from earlier opposition Monday and agreed with black leaders to seek "a common ground" on the proposed Civil Rights Act of 1990 that would strengthen job protection for minorities. Black civil rights lawyers will meet with Justice Department attorneys later this week to try to resolve concerns that changes in civil rights laws will lead to job quotas, which are opposed by the Administration.

"We agreed to try to find a common ground," said Arthur Fletcher, chairman of the U.S. Civil Rights Commission. "Attorneys from both sides will meet to see if we can hammer out differences. I'm confident." Fletcher also argued that the legislation would not create quotas, only "goals, targets and timetables." "A quota is a flat number that has to be satisfied irrespective if a person can do the job," he said. "A goal is what all business pursue."
(Thomas Ferraro, UPI)

Black Leaders Quarrel After Courting Bush On Bill

Black leaders of many political stripes came to the White House Monday to persuade President Bush not to veto a civil rights bill and left fighting bitterly among themselves.

"The major issue, the major hangup, is whether it would produce so-called quotas," Civil Rights Commission Chairman Fletcher said after the 90-minute meeting that was called a "listening session" for Bush. White House officials did not report the President's reactions....

While NAACP Executive Director Benjamin Hooks talked to reporters outside the West Wing entrance, hard-liner Robert Woodson shouted him down from the sidelines. "There was no unity," he yelled from several rows back in the crowd. "There were some of us who differed with the civil rights community."

Hooks later took over the microphone when Woodson was speaking there, saying that he had missed the point by contending that poor blacks would be ill-served by the Civil Rights Act of 1990.

(Frank Murray, Washington Times, A3)

EDITOR'S NOTE: "Tiptoeing, Bush Comes To A Fork On Civil Rights," by R.W. Apple, appears in The New York Times, page A20.

THORNBURGH SHUFFLES TWO TOP AIDES IN MOVE TO IMPROVE PUBLIC IMAGE

Attorney General Thornburgh Monday reassigned two of his closest aides in what Administration officials described as a move to improve his battered public image and to restore the traditional hierarchy at the top of his department....

Thornburgh reassigned Robert Ross...and David Runkel...to lesser jobs in the department....

Some associates of President Bush said there had been an "awkward fit" between the White House and the Justice Department for some time. Specifically, officials at the White House had been frustrated by difficulties in placing Bush's political supporters in patronage jobs that Thornburgh wanted for people of his own choosing. White House officials denied that the President ordered Thornburgh to take corrective action.

(David Johnston, New York Times, A1)

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**THORNBURGH REASSIGNS TWO TOP AIDES
Mounting Criticism Cited In Shakeup**

Attorney General Thornburgh Monday reassigned two of his top aides in a major personnel shakeup Justice Department officials said was designed to curtail mounting criticism over his management style.

Executive assistant Robert Ross and press secretary David Runkel, viewed by critics as part of a "palace guard" that surrounded Thornburgh and froze out even high-ranking department officials, will no longer be involved in daily department operations, officials said. William Barr, named Friday to replace Donald Ayer as deputy attorney general, said he will assume the deputy's traditional role of overseeing the day-to-day management of the department.

"I think you'll see an opening up at the top of the department," said Barr.... Barr said "matters will be handled with dispatch" and "if [officials] need to talk to the attorney general, they can."

Department officials said the changes reflect Thornburgh's recognition that criticism of his management style has cost him political capital outside the department and lowered morale within it.... Barr said he thought the problem was one of image rather than reality, but "to the extent it exists, it's obviously something that has to be dealt with."

(Sharon LaFraniere & Michael Isikoff, Washington Post, A1)

Thornburgh To Announce Staff Shakeup At Justice Department

Attorney General Thornburgh is expected to announce a series of Justice Department staff shakeups this week aimed at restoring more credibility and day-to-day control over the agency, officials say.

Assistant Attorney General William Barr will be promoted to deputy attorney general, and Robert Ross, Thornburgh's executive assistant, will head up a new international affairs office, according to sources.

Ross, who until now has been the closest adviser to Thornburgh, isn't expected to stay in the new job long. Sources say he will leave the international affairs office -- which has not yet been established -- and practice law in about a year....

Thornburgh will also name a new public affairs chief spokesman from outside the department to replace David Runkel..., officials said.... Runkel, taking on a new role as close assistant to Thornburgh, will be responsible for "long-range" press planning efforts, officials said.

(John Bennett, Scripps Howard)

JUSTICES HEAR CLASH OVER FLAG-BURNING
Arguments Produce Few Signals Of Views On 1989 Federal Statute

Solicitor General Starr Monday urged the Supreme Court to uphold the constitutionality of a new federal law that prohibits burning of the U.S. flag, saying the law is necessary to protect "interests of the highest order to the national community."

Starr...told the court Monday that under the new law, "robust, uninhibited debate goes on, unimpeded.... This statute does not inhibit free expression. It prohibits a very narrow form of conduct."

New York lawyer William Kunstler, representing a group of protesters charged with burning flags in the District of Columbia and Seattle, said the law is aimed at stifling political protest.... "To criminalize flag-burning is to deny what the First Amendment stands for," he said. (Ruth Marcus, Washington Post, A6)

Flag-Burning Case In Court; Bush Administration Vs. William Kunstler

The Bush Administration told the Supreme Court Monday that burning the American flag is an attention-getting device similar to using a loudspeaker and does not deserve constitutional protection.

But the attorney for seven defendants accused of burning American flags, [William Kunstler], argued that "once people are compelled to show respect for a symbol, then they are no longer free." ...

In the court hearing Monday, Solicitor General Starr emphasized that "Congress acted carefully and with great respect" for the court's 1989 ruling in revising the federal law.... He argued that free expression is not at issue...because there was "no particularized message being delivered by these individuals here."

...Justice Scalia...questioned Starr closely about the government's position, challenging the argument that a flag-burning law could avoid regulating free expression.

"The meaning conveyed by burning the flag is, 'I hate the United States,'" Scalia said. (Christina Nuckols, Scripps Howard)

Biden Ready to Flag-Protection Amendment -- Just In Case

Sen. Biden says he'll have a flag-protection constitutional amendment ready if the Supreme Court strikes down a law Congress passed last year.

But Rep. Don Edwards, head of the House constitutional rights subcommittee, vowed just as fiercely to resist House passage of such an amendment. "Let's say no to weakening the Bill of Rights," he said Monday. (Merrill Hartson, AP)

REPUBLICANS SEEK BIG TRADE-OFFS FOR ANY TAX HIKE

For President Bush to get the \$720 million in new aid he wants for Panama and Nicaragua, he might have to agree to spend \$185 million to build an FBI fingerprint center in West Virginia and approve the grant of a government-owned 112-foot ferry to American Samoa -- with delivery to Pago Pago billed to the Pentagon....

Bush...argues he should not have to choose between the foreign aid he wants and the various pet projects added by lawmakers. Bush Administration officials and GOP lawmakers have said giving the President a tighter grip on the government's purse strings -- including a line-item veto -- should be the trade-off for any tax increase in deficit-reduction talks between Bush and congressional leaders that are to begin Tuesday. "We shouldn't consider a tax increase independently of major process reforms," OMB Director Darman said. Federal spending, said Secretary Brady, is "a process gone mad."
(John Yang, Washington Post, A5)

Skeptical Parties Prepare For Budget Summit

The White House and Congress, faced with a broad range of politically unpalatable options to tame a worsening federal deficit, sit down to a budget summit Tuesday divided and skeptical.

..."I'm going into it with a lot of certainty about the Democrats -- they want to raise taxes," said Sen. Gramm, one of the summit participants.... "They [Democrats] can wait 'til Jesus comes back if they want to wait for me to raise them." ...

Sen. Mitchell...said Democrats from around the country have contacted him to express doubts about President Bush's motives entering the talks. "There remains a high level of resentment and skepticism among Democrats," Mitchell said. "That obviously makes it difficult."

..."I think there is a measurable level of distrust and a sort of a partisan smell to this negotiation and I think most of it is attributable to the statements that Mr. Sununu has made over the last few days," said Sen. Sasser.
(Bud Newman, UPI)

EDITOR'S NOTE: "Republicans May Find Voters Do, Indeed, See Higher Taxes Being About As Certain As Death," by Jeffrey Birnbaum, appears in The Wall Street Journal, page A26.

COCAINE-RELATED EMERGENCY ROOM VISITS SHOW 22% DECLINE

The number of cocaine-related hospital emergency room visits dropped 22 percent in the last three months of 1989, a possible sign that the explosion of hard-core cocaine abuse in the last several years is finally starting to abate, federal anti-drug officials said Monday. Secretary Sullivan, addressing a national conference on state and local drug policy, cautioned that it is too early to characterize the drop as a "trend." Sullivan added, however, that the data represent "some good news in our progress toward a drug-free America." ... "They confirm what several surveys have indicated over the past year: that we are making significant headway in our efforts to establish a drug-free America."

But Rep. Rangel...said the figures are "outrageously misleading" and called the problem "worse than ever."

(Elsa Walsh, Washington Post, A7)

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Cocaine/Emergency Room Visits

A national drug abuse survey Monday reported the largest drop in emergency-room admissions related to cocaine abuse in five years, and federal officials immediately seized on the numbers as evidence that the government's anti-drug campaign is working.

But Rep. Rangel...questioned the figures, saying they may show merely that cocaine patients are dying before they are "even getting to the emergency room." ...

In a speech Monday to the Office of National Drug Control Policy's conference on state and local drug policy, Secretary Sullivan said the new numbers confirmed "that we are making significant headway in our efforts to establish a drug-free America." Drug czar Bennett, speaking earlier, said, "We may now be seeing a leveling off of addiction." ...

However, Rangel said: "There are record crops being grown, record entries [into the country] of cocaine. There's nothing that the secretary has said to rebut what I'm saying."

(Jack Sirica, Newsday)

PLAN TO FORCE SUSPECTED DRUG PLANES TO LAND EXPECTED

The Bush Administration this week will seek authority to force planes suspected of carrying narcotics to land for inspection, The Los Angeles Times learned Monday.

The proposal, under which pilots who refuse to land would face a felony charge and up to five years in prison, stops short of allowing such planes to be shot down -- as some have urged. But it is still likely to produce substantial controversy.

The provision will be part of the Administration's new anti-drug bill, which is to be unveiled Wednesday, according to a source familiar with the plan....

The official described the plan as a solution that would allow the government to do "everything we can short of shooting the bad guys down." (Douglas Jehl & Ronald Ostrow, Los Angeles Times, A19)

WARHEADS ON HOLD TILL COMPLEX OK'D

The Department of Energy is walking a tightrope in its efforts to clean up and repair the U.S. nuclear weapons production complex in time to meet its schedules for building and servicing weapons regarded by some as vital to maintaining America's strategic deterrent.

According to the undersecretary of energy and some nuclear arms experts, a delay of two or three months in restarting plutonium-processing operations in Colorado this summer will postpone production of warheads for the submarine-launched Trident II D-5 missile, the most modern and accurate U.S. strategic missile....

"The defense complex is ailing," said John Tuck, undersecretary of energy and the top official in charge of nuclear weapons production facilities. (Bill Gertz, Washington Times, A4)

OSHA TOUGHENING RULES FOR PETROCHEMICAL INDUSTRY

ORLANDO, Fla. -- The federal government will adopt tougher safety regulations for the petrochemical industry which will have a "major impact" on the industry, the head of the Occupational Safety and Health Administration said Monday.

The more stringent rules are the result of last year's explosion at the Phillips Petroleum refinery in Houston that killed 23 people, OSHA Chief Gerard Scannell said....

Scannell, speaking at the American Industrial Hygiene Conference...said OSHA was fine-tuning tougher regulations for the industry and would unveil them within the next months. (UPI)

YEUTTER SAYS HOUSE FARM BILL WRONG POLICY, TOO COSTLY

The House blueprint for a new farm policy law could add \$25 billion to federal spending over the next five years and price U.S. farmers out of the world market, the Administration warned Monday.

In addition to urging the House Agriculture Committee to delete proposals to raise crop loan rates and target prices, Secretary Yeutter said "further program changes will still be required" to meet budget targets. (Charles Abbott, UPI)

1-YEAR NEA EXTENSION WEIGHED

Rep. Pat Williams said he will introduce a Bush Administration-endorsed bill to reauthorize the National Endowment for the Arts Tuesday even though he does not have the support of House Republicans, who appear intent on formulating their own legislation to reshape the agency.

The Williams bill would reauthorize the endowment in its current form for five years. But in light of recent signs of eroding congressional support for the NEA, Williams said he is becoming amenable to extending the endowment's life for a year instead of reauthorizing it for the usual five-year span....

Williams noted that the Administration has done very little to support NEA reauthorization. "The President...has made clear he likes the NEA the way it is, or at least the way it was," he said. "He hasn't delivered that message very forcefully to the Republicans in the House."

(Kim Masters & Elizabeth Kastor, Washington Post, C1)

ARTISTS OUTRAGED BY NEA 'DENIAL' OF ON-STAGE SEXUAL PERFORMANCES

Advocates of artistic freedom expressed outrage Monday at the rejection by a NEA advisory panel of 18 grants to theater performers. "The council's action was wrong," said Charlotte Murphy, spokeswoman for the National Campaign for Freedom of Expression, a group affiliated with the National Association of Artists' Organizations. "They totally stepped out of line." ...

On the other hand, the Rev. Donald Wildmon, executive director of the American Family Association..., hailed the weekend action.... "Some reason and sensibility have prevailed among council members," Wildmon said Monday. "It's definitely a signal to the NEA that games as usual won't be played anymore."

(Joyce Price, Washington Times, A1)

HOME FRONT BUSH'S NEW BATTLEGROUND

The thorns in President Bush's political rose garden are suddenly turning domestic.

Foreign policy challenges dominated Bush's first 16 months in office....

But now there's pressing business on the home front. Lobbying by civil rights leaders Monday, budget summitry with congressional leaders Tuesday, battles over the parental leave bill on the horizon -- all crowd the President's agenda.

By his own account, Bush enjoys foreign policy more....

Longtime friend Vic Gold agrees presidents prefer foreign policy, but said Bush "loves it all. It's sort of like being ambidextrous."

(Johanna Neuman, USA Today, 4A)

TEXAS COMMENCEMENT MOVED OUTDOORS

AUSTIN -- University of Texas officials have decided to move Saturday's commencement, featuring an address by President Bush, from the restricted indoor confines of the Erwin Center to spacious Memorial Stadium.

The switch came in response to the unexpectedly voracious demand for tickets and increasingly vocal complaints of graduates upset by university attempts to restrict seating.

(Washington Post, A10)

EDITOR'S NOTES: "Washington Ways: The First Daughter's D.C. Option," by Donnie Radcliffe, appears in The Washington Post, page C2.

"Debate On Puerto Rico's Future Has A Bottom Line," by Peter Passell, appears in The New York Times, page A18.

"Dow Hits Record As Stocks Soar Back To Life -- But Sudden Surge May Be Short-Lived," by Paul Wiseman, appears in USA Today, page 1B.

"[Secret Service] Officer Steps Down, Says He Took Cup," by Mike Folks, appears in The Washington Times, page A4.

INTERNATIONAL NEWS

PHILIPPINE REBELS THREATEN AMERICANS

Talks On U.S. Bases Begin As Communists Vow To Stage New Attacks

MANILA -- Communist rebels, demanding that U.S. military bases in the Philippines be closed, threatened Monday to step up attacks against the 40,000 Americans here as U.S. and Philippine negotiators opened talks on the future of those facilities.

Foreign Minister Raul Manglapus set a caustic tone at the largely ceremonial start of the talks with a tough statement condemning the historic role of the U.S. in the Philippines, while outside, police fired tear gas and used truncheons against anti-base demonstrators. More than 40 people were arrested and five hospitalized in protests across Manila....

The talks...began a day after suspected Communist rebels shot to death two U.S. servicemen outside Clark Air Base.... Monday, the Communist Party's military wing, the New People's Army, threatened more violence against American soldiers, warning the U.S. to "go home or suffer the agony of attrition." In a two-page statement received by news agencies, the NPA's general command vowed that "all our officers and men will carry out, to the last man if necessary, our mission to drive away U.S. aggressors from Philippine soil."

(Keith Richburg, Washington Post, A1)

PHILIPPINE GUERRILLA THREATS OVERSHADOW TALKS ON U.S. BASES

MANILA -- U.S. officials said Tuesday that security around American military facilities in the Philippines would be high on the agenda in current talks with Manila over the future of the bases....

President Aquino said Monday that her government was taking all necessary measures to protect the 40,000 American military personnel and dependents in the country. But she said: "We cannot guarantee a 100 percent fail-safe protection. No government can."

(Jeremy Clift, Reuter)

U.S. SUGGESTS FLEXIBILITY ON PHILIPPINE BASES

The U.S. could turn several small military facilities over to the Philippines government in negotiations under way in Manila, a senior U.S. defense official suggests.

"It's in our interest to be forthcoming," said the official, who spoke with reporters Monday on condition of anonymity. "We're prepared to talk about anything." ...

The official predicted the negotiations could take a year to complete. But Washington has made clear repeatedly that it has severe limits on the amount of financial compensation it can offer and is prepared to leave if the cost is too high, the official said.

"There are ways that we could go...that have to do with a number of facilities [that] may no longer be required. They could be turned over to the Philippines," he said. (Susanne Schafer, AP)

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RETIRED AMERICAN SERVICEMAN STABBED NEAR BASE IN PHILIPPINES

OLONGAPO, Philippines -- A retired American serviceman was stabbed by an unknown assailant near the U.S. Subic Bay naval base west of Manila hours after talks opened on the future of U.S. bases in the Philippines, police said Tuesday.

It was not known if the victim, who was attacked Monday night while walking alone outside the base, was killed.

Police said he was taken inside Subic for treatment but base authorities declined to confirm the incident, saying they were still checking. (Reuter)

PHILIPPINE TROOPS REPORT 63 GUERRILLAS KILLED IN ATTACK

TACLOBAN, Philippines -- Helicopter gunships and light bomber aircraft pounded a communist guerrilla camp in the central Philippines, killing 63 rebels, the military said Tuesday....

The casualty toll was one of the highest this year inflicted on the communist New People's Army. (Reuter)

U.S. URGED TO STRIKE AT TERRORISTS

The U.S. should consider military strikes or covert operations to protect air passengers from terrorists, a Presidential commission is expected to recommend Tuesday....

NBC News Monday also reported that the commission recommends "training for preemptory or retaliatory military strikes against known terrorist enclaves in the nations that harbor them."

The commission...also calls for reorganizing the FAA and the Department of Transportation to give security a higher profile. The report finds that intelligence, evaluation and action in response to credible threats was "flawed" before the bombing [of Pan Am Flight 103] and still has problems.

(Lori Sharn, USA Today, 1A)

S. AFRICAN PRESIDENT TO PRECEDE MANDELA

President de Klerk will precede ANC leader Nelson Mandela in a pair of historic visits to the U.S. late next month, Administration officials said Monday, and planners of the Mandela visit expressed anger that de Klerk will visit the White House first.....

U.S. officials said de Klerk would visit Bush on June 18 and Mandela some days later. A South African Embassy official said "we have no dates" for de Klerk's visit. Mandela is expected to be in the U.S. from June 20 to June 30, and his meeting with Bush is expected to be June 25. Details of his itinerary are to be announced Tuesday by the ANC.

But Randall Robinson of TransAfrica, one of the planners for Mandela's seven-day U.S. visit, sharply criticized the Bush Administration for setting the de Klerk visit before Mandela's. He said black leaders, including himself, Jesse Jackson, Coretta Scott King and others had objected to any de Klerk visit a month ago in a meeting with Secretary Baker on grounds that de Klerk had not yet earned it by dismantling apartheid, freeing prisoners and changing laws. Baker did not respond to the objections, Robinson said.

(Ann Devroy, Washington Post, A1)

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DE KLERK SAYS EUROPE MUST HELP AND NOT HINDER CHANGE

LISBON -- Europe must stop penalizing South Africa for apartheid and start encouraging its transition away from white minority rule, President de Klerk said at a banquet in his honor in Lisbon Monday night.

"The process of reform which has started is irreversible," he declared. "The situation in South Africa calls for a new approach, a reassessment of their attitude toward us by all governments."
(Brendan Boyle, Reuter)

DEMOCRATS AGREE TO REVIEW ANGOLA POLICY

Responding to pleas from black leaders, Sen. Mitchell agreed Monday to consider whether the U.S. should continue arming the rebels fighting Angola's leftist government.

"We will consult with other Democrats...and will respond following that consultation," Mitchell said, adding later, "We haven't decided anything." ...

Although not promising specific action, Mitchell won praise from the black leaders for agreeing to review U.S. policy.

(Gary Silverman, UPI)

WORLD TRADE BODY IS EXPECTED TO LET SOVIETS TAKE PART

In an initial step linking the Soviet Union more closely to the global economy, Moscow is expected to be granted observer status this week at the urging of the Bush Administration in the organization that oversees world trade.

Observer status in GATT...is expected to be approved by the GATT Council at a regular monthly meeting scheduled for Wednesday.

An Administration official said Monday that President Bush wanted a favorable decision before his meeting in two weeks with President Gorbachev as "a tangible sign of American interest in bringing the Soviet Union into the world economy."

(Clyde Farnsworth, New York Times, A1)

GORBACHEV COMDEMNS BALTIC MOVE

Secession Decisions Are Declared Illegal As Showdown Looms

MOSCOW -- President Gorbachev Monday formally declared moves toward secession by Latvia and Estonia to be null and void, setting the stage for a constitutional showdown between the Kremlin and all three Baltic republics.

A Soviet television announcer broke into the main evening news program to read two presidential decrees accusing the legislatures of Latvia and Estonia of violating the "legal rights and interests" of ordinary Soviet citizens....

The presidential decrees did not say what action the Kremlin intends to take against the republics, but they appeared to put Latvia and Estonia in the same constitutional position as Lithuania....

In a telephone interview, Estonian Foreign Minister Lennart Meri acknowledged that the legal differences between the independence declarations of the three Baltic republics were "microscopic" and he called for a united front against Moscow.

(Michael Dobbs, Washington Post, A1)

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**ANTI-INDEPENDENCE DEMONSTRATIONS PLANNED
AS LITHUANIANS SEEK COMPROMISE**

VILNIUS -- Baltic residents opposed to their governments' moves to break with Moscow planned protests Tuesday, a day after Mikhail Gorbachev said independence moves by Latvia and Estonia are illegal.

The prime minister of Lithuania...was preparing a package designed to end an impasse with President Gorbachev that has brought on a crippling embargo against the republic.

Members of the pro-Moscow Lithuanian Communist Party were organizing demonstrations at major factories to protest the Baltic secession drive, said Vladislav Shved, the party's second secretary. Shved said he opposed negotiations with the Lithuanian government....

Pavelas Gilis, secretary of the party, said Russian-dominated Communist Parties planned to stage rallies throughout Lithuania, Latvia and Estonia Tuesday. (Bryan Brumley, AP)

GORBACHEV TO TOUR PARTS OF U.S. AFTER SUMMIT

President Gorbachev has notified the White House that he intends to take his first major tour of the U.S. outside Washington and may meet with former President Reagan in California after the superpower summit, Administration sources said Monday.

Although details were sketchy, officials said they understood Gorbachev would also stop in Minneapolis, where he has been invited to see a number of activities centered on modern U.S. agriculture and industry and to give a speech on U.S.-Soviet cooperation on the environment. (David Hoffman & Ann Devroy, Washington Post, A17)

BAKER SEES FUTURE NEED FOR NATO

NATO should remain the principal instrument for guaranteeing peace in Europe, and despite the diminishing of Cold War tensions, the U.S. should continue to keep military forces on the continent, Secretary Baker said Monday.

Even if all Soviet armed forces are withdrawn from Europe and conventional arms control moves forward, "the Soviet military will retain forces many times larger than those possessed by any other single state," Baker said in a speech prepared for delivery last night in New York before his departure for talks in Moscow with Foreign Minister Shevardnadze.

"American troops will, therefore, need to remain in Europe for as long as they are wanted," Baker added. "But the nature and composition of the American military presence in Europe should change with the threat." (John Goshko, Washington Post, A17)

BAKER HEADS TO MOSCOW FOR ARMS CONTROL TALKS

Secretary Baker is on his way to Moscow to try to work out arms control agreements with the Soviet Union for signing at the fast-approaching Washington summit.

Baker's aides are not predicting success. "By the end of the week we should know a lot more," a senior U.S. official said before takeoff Monday....

The two sides are in disagreement on several key issues. Gorbachev's problems at home also could get in the way.

"The general assumption is that he has increasingly acquired more of the formal power," said the senior official, who demanded anonymity. "On the other hand, his difficulties with the economy and nationalities, and the general level of dissatisfaction have, perhaps, limited his ability to use that power."

(Barry Schweid, AP)

AS BAKER SETS UP SUMMIT, SOVIETS LAG ON ARMS CONTROL

Secretary Baker is set to arrive in Moscow Tuesday, hoping to clear the way for the signing at this month's summit of two arms control agreements that critics are already calling pacts without substance....

In the past six weeks, Moscow and Washington repeatedly have been at cross-purposes.... Bush Administration experts speculate that Gorbachev either has been forced to cede a larger voice to his military or has been distracted by the Soviet Union's many ethnic and economic woes....

The Soviets "simply haven't been making much movement," said one U.S. official, speaking on condition of anonymity. But he added: "We believe they are still determined to have a START agreement of some kind." (Warren Strobel, Washington Times, A7)

CONVENTIONAL ARMS TALKS LOSE MOMENTUM OF 1989

VIENNA -- The European talks on conventional arms control resumed here Monday amid concern that agreement will not be reached by the end of the year.

Soviet negotiators are said to still be looking to Moscow for instructions on various knotty matters as yet unresolved in the weapons reduction talks among the 23 nations here.

Officials said that the momentum needed for an accord this year must come from Moscow, possibly during this week's talks there between Secretary Baker and Foreign Minister Shevardnadze....

"The talks here are not necessarily on hold," said one Western negotiator in Vienna. "But we see signs that the Russians may be rethinking their position.... It would not be surprising if the Soviets had second thoughts about Europe. Obviously, they are worried about Germany." (William Tuohy, Los Angeles Times, A8)

EAST GERMAN DEFENSE CHIEF: WARSAW PACT SEEMS TO BE BREAKING UP

EAST BERLIN -- East Germany's defense and disarmament minister says the future of the disintegrating Soviet-led Warsaw Pact could be decided at a meeting of the alliance next month.

"It now appears as though the Warsaw Pact is in the process of dissolving itself," said the minister, Rainer Eppelmann. "Whether it has a military-political future depends on the meeting of the disarmament and defense ministers on June 7."

He did not specify where the meeting will be held.

(Kevin Costello, AP)

**KOHL OPEN TO EARLIER JOINT VOTE
Shift Follows Defeat In 2 State Elections**

BONN -- Chancellor Kohl Monday once again stepped up the pace of German unification, saying for the first time that he is open to holding all-German elections late this year.

Kohl backed away from his long-held insistence that the first combined East and West German elections not be held until sometime in late 1991. Kohl's remarks came one day after his ruling CDU suffered a narrow but symbolic defeat in local elections Sunday.

"It is absolutely clear that the question of German unity is now ripe for decision," Kohl said at a news conference. "Everybody who understands anything about international developments advises me, 'Act soon.'"

(Marc Fisher, Washington Post, A12)

MEETING OF U.S., ALBANIAN OFFICIALS REPORTED

A State Department official met with an Albanian diplomat at the U.N. recently to discuss ways of improving relations between the two countries, the department said Monday. It was the first official contact between the two nations in 50 years.

Department spokeswoman Tutwiler said the meeting took place about two weeks ago....

Tutwiler did not name the U.S. official at the U.N. meeting, but other department sources identified him as Curtis Kamman, a deputy assistant secretary for European affairs and the department's ranking East European expert. The sources did not specify when further contacts might take place.

(John Goshko, Washington Post, A18)

NORTH KOREA TO RETURN REMAINS OF FIVE U.S. SERVICEMEN

North Korea announced Monday that it will return the remains of five American servicemen to U.S. authorities later this month, the first Korean War remains to be returned since 1954.

U.S. officials welcomed the offer as "a positive step" toward eventual normal diplomatic ties between the authoritarian government of Kim Il Sung and the governments of the U.S. and South Korea. But the officials quickly added that the U.S....has no immediate plans to upgrade diplomatic relations.

(Bill McAllister, Washington Post, A14)

Lawmakers See Hopeful Sign In Agreement To Return U.S. Remains

Lawmakers are optimistic that North Korea's decision to return the remains of five U.S. soldiers killed in the Korean War will lead to better relations between the U.S. and the Communist nation.

"This is a humanitarian gesture at this time, and we hope we can get into other areas at a later date," Rep. "Sonny" Montgomery said Monday....

"I am very hopeful that this will be the first brick, if you will, in improving the relationship which will mean literally hundreds of remains," said Rep. McCloskey. (Donna Cassata, AP)

SOUTH KOREA REARRESTS DISSIDENT

SEOUL -- South Korean police authorities announced Monday that a leading dissident who won the Robert F. Kennedy human rights award has been arrested as part of a crackdown on anti-government protests.

The arrest of Kim Keun Tae appeared to mark a worsening of South Korea's human rights record.

(Peter Maass, Washington Post, A14)

CHINA CANCELS U.S. DEAL FOR MODERNIZING F-8 JETS

China has told the U.S. that it is pulling out of a \$550 million arms deal that has been the linchpin of efforts at military cooperation between the two countries over the last decade, the Pentagon confirmed Monday....

Under the mammoth arms program, known as Peace Pearl, Grumman Corp....has been working with the Chinese air force to modernize China's F-8 jet fighters....

"The People's Republic of China has decided not to proceed beyond the development phase of the F-8 avionics modernization program at this time," a Pentagon spokesman, Lt. Cmdr. Edward Lundquist, said in response to queries from The Los Angeles Times. "...This was terminated by the Chinese. They made the decision [that] they didn't want to proceed with the production phase."

U.S. officials declined to say what reason China had given, and the Chinese Embassy in Washington would not comment. But sources in the U.S. defense industry and Washington's diplomatic community said that China has been concerned for some time about the prospect of burgeoning costs on Peace Pearl.

(Jim Mann, Los Angeles Times, A1)

**SENIOR CHINESE OFFICIAL 'TAKING A REST' IN U.S.
Ex-Leader In Hong Kong May Be Defecting**

BEIJING -- Xu Jiatusun, until early this year the senior Chinese Communist Party representative in Hong Kong, left recently for an unauthorized stay in the U.S., causing speculation that he has defected to the West.

Xu is reported by Hong Kong newspapers to be residing in Los Angeles with several family members, including his son, daughter-in-law and a grandson....

"Our understanding is that Mr. Xu is now in the United States on vacation," said a U.S. official in Hong Kong.

A spokesman for New China News Agency in Hong Kong issued a terse statement: "As far as we understand it, Mr. Xu has traveled abroad and is taking a rest in the United States." Such a trip by a senior party official appears to be unprecedented, according to foreign analysts in both Beijing and Hong Kong....

A Western diplomat said that neither the U.S. nor China wants to face a new source of tension in the short time remaining before President Bush has to make a decision on China's MFN status. "The U.S. government is bending over backwards to say that Xu has not sought political asylum," the diplomat said.

(Daniel Southerland, Washington Post, A16)

U.S., IRAN SIGN DEAL TO SETTLE SOME CLAIMS

The U.S. and Iran signed an agreement over the weekend to settle 2,795 small U.S. claims as well as a few U.S. government claims against Tehran with a lump sum payment of \$105 million, State Department officials announced Monday.

...A State Department specialist said that the agreement, signed Sunday in The Hague, resolved both a "large number" of claims by American nationals, each for \$250,000 or less, and "10 loans from the government of the United States to the government of Iran for various assistance purposes."

(Nora Boustany, Washington Post, A20)

NATIONS HIT U.S. STANCE ON EMISSIONS

BERGEN, Norway -- The U.S. and Britain were heavily criticized Monday for their refusal to adopt measures curbing carbon dioxide emissions, which scientists have suggested could lead to global warming....

Aides battling to produce a strong document for discussion by the world's environmental ministers complained that only weak resolutions were likely to emerge, with no firm deadline for emission cuts.

"We would have liked a more forceful proposal than the one on the table, but we worked hard for a week and got fierce opposition from one particular country," said EC Environment Commissioner Carlo Ripa Di Meana. "There seemed to be a contradiction in the United States. They propose an advanced clean air bill at home, and then their international approach lags so much behind." ...

"The United States will be on its way to Mars within 30 years," said Danish Environment Minister Lone Dybkjaer. "We should ask them to do their carbon dioxide job on this planet before leaving."

(Ulla Plon, UPI)

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BUSH WILL COMPROMISE TO EXPEDITE LATIN AID

President Bush would let Congress add \$2.38 billion to his Central American aid package, which includes anxiously awaited funds for Nicaragua, if it will break the logjam blocking release of the money, Administration officials said Monday.

...Bush telephoned Speaker Foley to suggest the deal and urged the Democrats to complete work on the emergency aid package, officials said....

The flurry of White House action Monday was prompted by a cable from President Chamorro in which she made an urgent plea for the \$300 million in economic aid included in the President's "Fund for Democracy" package. (Paul Bedard, Washington Times, A1)

WITH WAR ON COCAINE, ACTION SHIFTS TO HEROIN

U.S. and Latin American efforts to stop the smuggling of cocaine into the U.S. have led to an upsurge in the trafficking of heroin, and some U.S. officials believe that the amount of heroin entering this country may surpass that of cocaine....

"The Office of Intelligence is receiving frequent reports on the Colombian cartels' expansion into production of heroin and hashish.... The possibility of an appreciation of heroin production in particular is of great concern to U.S. authorities," said a U.S. intelligence report cabled to Washington from the U.S. Embassy in Bogota. (James Dorsey, Washington Times, A10)

SIX BOMBS EXPLODE IN SANTIAGO; GUARD WOUNDED AT U.S. CONSULATE

SANTIAGO -- Bombs exploded at the U.S. Consulate and five other sites in the capital, causing some damage and injuring a Chilean security guard at the consulate, authorities said....

An anonymous male caller to a Santiago radio station claimed responsibility for the army parking lot bombing on behalf of a previously unknown group calling itself the December 14 Commando.... The group said it was demanding the resignation of Gen. Pinochet. (AP)

CONTRAS TO RETURN UNARMED TO NICARAGUA

TEGUCIGALPA -- Between 400 and 500 Nicaraguan rebels are ready to return unarmed to their homeland and other Nicaraguan refugees have moved to camps away from the border, a Honduran official said Monday.

Foreign Minister Mario Carias Zapata said the contras arrived at Las Trojes near the Nicaraguan border...and were checked and allowed into transition camps monitored by Honduran armed forces. Carias said between 400 and 500 contras "are concentrated [in the camps] and completely disarmed," waiting to be repatriated, and that the government has informed the U.N. of the moves.

(Vilma Rosales, UPI)

CONTRA DEMOBILIZATION MOVING AT SLOW PACE, U.N. SAYS

MANAGUA -- The disarming of up to 17,000 Nicaragua contra rebels is moving at a pace well behind publicly announced goals, a U.N. spokesman said Monday.

A defense ministry statement, meanwhile, said the contras were continuing to violate a negotiated cease-fire, attacking a militia post and an army truck in recent days.

A U.N. spokesman in Managua said that as of Sunday, a total of 556 contras had handed over their weapons. On Sunday only 29 rebels handed over their arms, the spokesman said, citing numbers from all five internationally monitored security zones.

"The figures do not meet the expectations that have been set," the spokesman said. (Reuter)

NICARAGUAN GOVERNMENT DECLARES STRIKE ILLEGAL

MANAGUA -- The government declared Monday a strike by thousands of public employees illegal and said workers have one more day to go back to their jobs before police and the military are brought in to restore order.

"The strike called in the public sector by state workers' organizations is declared illegal, illicit and non-existent," said a government decree read to reporters by Labor Minister Francisco Rosales....

Rosales said if strikers -- most of them supporters of the opposition Sandinista Front -- do not return to their jobs Tuesday, the Nicaraguan police and the military will take charge of maintaining order. (Oswaldo Bonnilla, UPI)

DEVELOPING WORLD'S ROLE IN GLOBAL WARMING GROWS

Developing countries, where populations are growing explosively and where personal income and use of technology are also increasing, will surpass industrialized countries in the next few decades as the major source of carbon dioxide and other gases that cause global warming, according to a U.N. report on world population released Monday.

The report said that by 2025 the countries now comprising the Third World are likely to be spewing four times as much carbon dioxide as the developed world now produces.

(Susan Okie, Washington Post, A4)

GREENSPAN: DON'T RETALIATE AGAINST FOREIGN BANKS

CHICAGO -- Federal Reserve Chairman Greenspan Monday urged Congress not to retaliate against foreign banks from countries that make it difficult for U.S. banks to do business, calling for legislators instead to pass laws to let American banks be more competitive.

Greenspan told a House banking subcommittee hearing in Chicago that it "would clearly be counterproductive to close our own markets to foreign competition merely because foreign markets are less open than we would like." He cautioned that protectionism would only aggravate matters.

"Such action would invite retaliation and would not be very effective in any case," he said. (UPI)

-End of A-Section-

NETWORK NEWS

Monday evening, May 14

FLAG BURNING

ABC's Ted Koppel: A couple of summers ago respect for the American flag was at the heart of the presidential campaign. Today the issue of burning the American flag landed on the doorstep of the U.S. Supreme Court. The debate is relatively simple, the resolution is not.

ABC's Tim O'Brien reports that those who believe there is no constitutional right to burn the flag and those who say it is free speech had their own oral arguments outside the Supreme Court today. Lawyer William Kunstler told the Supreme Court this morning that respect for the flag must be voluntary, that once people are compelled to respect a symbol, they are no longer free. Solicitor General Kenneth Starr for the Bush Administration said the law doesn't prohibit free speech but rather a narrow form of conduct. The law is neutral, insisted Starr, not directed at any particular viewpoint. Justice Scalia did not seem to agree. "Those who burn the flag have but one viewpoint: I hate America." The law was passed after the Supreme Court rejected a Texas law last June that made it a crime to burn the American flag in the presence of someone who may be offended by it. Sen. Biden insists it does not discriminate because it applies to anyone who burns the flag for whatever reason. But critics of the federal law say it is identical in purpose to the Texas law and should be doomed to an identical fate. That would revive calls for a constitutional amendment to protect Old Glory and surely ignite a political firestorm that could consume the November elections.

Koppel says that the U.S. is virtually alone among democratic nations in having laws to protect its flag. (ABC-Lead, CBS-2)

NBC's Tom Brokaw: Another emotional issue in the nation's capital, flag burning. It's back before the U.S. Supreme Court. When the court ruled burning the American flag is protected as free speech in this country, President Bush personally led the drive for a new federal law, and now that is being challenged.

NBC's Carl Stern reports that the key justices who struck down the flag desecration law last term seemed just as skeptical of the new law enacted by Congress. Antonin Scalia asked if Congress could outlaw Bible burning, and Anthony Kennedy suggested that Americans should be proud of tolerance of flag burners. Unless the court upholds the prosecution of those arrested for flag desecration as constitutional under the new law, President Bush and congressional leaders say they will seek to change the Constitution. (NBC-2)

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CIVIL RIGHTS

Koppel:

[TV COVERAGE of President Bush sitting with black leaders.]

At the White House today President Bush met with civil rights leaders who urged him to sign a new civil rights bill that's now working its way through Congress. It would provide additional protection to minorities and women against job discrimination. The White House indicated that the President is likely to sign the bill if it does not contain hiring quotas. (ABC-3)

Brokaw: President Bush has reservations about a new civil rights law before Congress, and civil rights leaders in turn are concerned about his reservations. At a time when there do seem to be more and more racial incidents around the country, they took their concerns to the source today.

NBC's Jim Miklaszewski:

[TV COVERAGE of President Bush sitting with black leaders.]

The relaxed mood at the start of today's meeting reflects a new relationship between the nation's black leaders and the White House. But these leaders warned that could all change if President Bush decides to veto a civil rights bill now pending in Congress. (Benjamin Hooks, NAACP: "The civil rights bill, in my judgement, will become a litmus test.")

The bill is intended to reverse the effect of a number of recent Supreme Court civil rights decisions. Those rulings made it more difficult for minorities and women to win discrimination lawsuits against employers. But White House Chief of Staff Sununu and other conservatives think the legislation goes too far -- that it would establish racial hiring quotas and put an unfair burden of proof on employers to prove they're not discriminating.

(Sen. Hatch: "The employer will no longer be able to choose his or her employees based upon the most qualified employee. They're just going to have to take people, and they're going to have to do it by quotas.")

Senate sponsors strongly disagree.

(Sen. Kennedy: "Effectively, the idea of quotas is a red herring. What we are attempting to do is to restore the law to what it was before.")

Unlike Ronald Reagan, George Bush has gone out of his way to publicly support civil rights and court blacks.

[TV COVERAGE of President Bush with a black leader in the Oval Office.]

Polls show he's the most popular Republican president among blacks in 30 years. But critics say his actions have not matched his words.

(Jesse Jackson: "It's not a good performance. It is basically superficial, sound bites and photo-ops.")

(Ralph Neas, Leadership Conference On Civil Rights: "Indeed, if you look at issues of race and sex discrimination, there is very little difference between the Meese Department of Justice under President Reagan and the Thornburgh Department of Justice under President Bush.")

Despite conservative pressures to kill the bill, the White House will now sit down with black leaders to try to hammer out a compromise. Officials here say the last thing the President wants to do now is to veto a civil rights bill. (NBC-3)

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PAN AM 103

Brokaw: Tonight we begin with an exclusive report on the chilling conclusions of a presidential commission that investigated the terrorist bombing of Pan Am Flight 103, that 1988 crash that killed 270 people altogether.

NBC's Robert Hager: The commission's report will be presented to President Bush at the White House tomorrow, and government sources tell NBC News that it'll find the FAA's program to ensure security in air travel is "seriously flawed," and that the report will say the program needs major reform. To get tough against terrorists, sources say the commission will recommend consideration of U.S. military strikes, specifically training for preemptory or retaliatory military strikes against known terrorist enclaves in the nations that harbor them. Where that's impossible the commission will recommend covert operations. As for screening airline luggage for bombs, the commission will say the new program to force airlines to buy hundreds of million-dollar thermal neutron analysis screeners should be deferred. It says they don't work - a blow to Transportation Secretary Skinner, who pushed TNA screeners, and a blow to the FAA, whose standards chief Monte Belger said this last September:

(**Belger:** "This machine, I am convinced, is the best explosive detection system available in the world.")

But the commission will find that a TNA screener could not have detected the bomb that destroyed Pan Am 103 because that bomb was so small. About warnings in advance of terrorist threats, the commission will recommend that some mechanism be developed to distribute word of threats ahead of time to passengers so they could make informed decisions about whether to fly. Finally, the commission will be very critical of Pan American, finding that on the day of the accident the airline failed to follow standing FAA instructions that all suspicious luggage be searched by hand. Instead, Pan Am searched only by X-ray machine and many believed missed the bomb. The commission will recommend that some responsibility for security be taken away from the FAA and given to a new assistant secretary of the Department of Transportation, and he would be in charge of guiding policy on aviation security.

Brokaw talks with **Hager**:

Brokaw: What is the government likely to do about this report once the President receives it tomorrow?

Hager: The White House has been very cautious about that. It's instructed that so far the press is not being allowed in when the commission presents its report to the President in the morning. One head, however, has already rolled at FAA. Their director of security has been transferred to a lower-level job in Florida.

Brokaw: What about the families of the victims of Pan Am 103? They've been very active in all of this. What will they think?

Hager: I think they'll be generally pleased with the report, but they'll take exception to one part, one missing element. They wish the commission had fingered Syria and Iran for playing some role in the bombing. But the commission apparently chose to be more cautious than that.

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(NBC-Lead)

U.S. BASE TALKS

Koppel: In Manila the future of U.S. military bases in the Philippines was under discussion today, while on the streets, shouts of "Yankee go home" and the smell of teargas again filled the air. The two biggest bases, Clark and Subic Bay, have been there since the beginning of the century. At issue, will they still be there at the end?

ABC's Mark Litke reports that there were smiles and polite handshakes as the talks began, but there was also tension and acrimony. Foreign Affairs Secretary Raul Manglapus struck first, claiming that America has broken promises. The most recent, Washington's decision to slash \$96 million from a two-year aid package for continued use of the six military bases here.

(Manglapus: "The bilateral relations of any two nations can look forward to no significant future if one cannot count on the other's word.")

American negotiator Richard Armitage was equally blunt. If Filipino nationalism and the demand for more money means the bases must go, so be it.

(Armitage: "And if you ask us to leave, leave we shall, as expeditiously as possible and with our pride fully intact.")

Clearly tensions here were heightened by the tragic events outside Clark Air Base only hours before, where two young American airmen were shot to death at point blank range. Today security at the bases was intensified, all leaves canceled, as American and Filipino soldiers tried to track down the killers presumed to be communist rebels. But the anti-American violence by communists and other radicals here continued today as riot police used clubs and teargas to break up demonstrations near the U.S. Embassy. At the end of this first day of talks both sides indicated that whatever the outcome good relations between the U.S. and the Philippines would be maintained. But as part of their tough negotiating stance both also said that without an agreement soon the bases may well be shut down when their lease expires in 1991. (ABC-8)

NBC's Jim Maceda reports that some government officials say privately they want much more than the current \$400 million a year the Philippines gets for use of the bases. (NBC-9)

CBS's David Martin reports that there are powerful incentives for both sides to preserve the base agreement. The American military creates 500,000 jobs and \$1 billion a year in revenue for the Philippine economy. And the Pentagon estimates it would cost \$3 to \$4 billion to relocate the bases elsewhere in the Pacific. (CBS-6)

DOW JONES/BUDGET SUMMIT

Brokaw: This is the eve of the budget summit meeting between President Bush and congressional leaders, and on Wall Street today anticipation of those talks helped cause the Dow industrial index to hit a record high, [after closing the day up 19.95]. (NBC-12)

BALTICS

CBS's Dan Rather: Mikhail Gorbachev is now clearly facing the worst political crisis of his five years in power. He is taking a new, even harder stand against the independence movements of the Baltic states. Today he issued a statement blasting Latvia and Estonia, saying that their declarations of independence are clearly illegal. This comes against the backdrop of a mounting economic crisis. There are shortages everywhere, and as Secretary of State Baker flies here for talks that could make or break the Bush-Gorbachev summit in America this month.

CBS's Peter Van Sant reports from Latvia that in an escalation of tension, Soviet army officers clashed with demonstrators outside the Latvian parliament this morning. The soldiers were attempting to enter the building and confront the leaders of what they consider an outlaw government. The army sent a message today that independence will not come without a struggle. Officers demanded that Latvia hold a republic-wide referendum on independence, and as a show of force they said that soldiers tomorrow will block entry to the Latvian parliament, shutting down the new government. In an effort to head off confrontation, Latvia's parliament is sending a five-man delegation to Moscow tonight. But sources have told CBS News that Moscow will not talk. (CBS-Lead)

Koppel: Soviet President Mikhail Gorbachev said today even a go-slow approach in the Baltics toward independence is too fast. Unlike Lithuania, both Latvia and Estonia have called for a transition period. Mr. Gorbachev said it's still illegal. (ABC-9)

GORBACHEV

Koppel: In two weeks Mr. Gorbachev flies to Washington for the summit with President Bush. Word tonight that besides the official state visit in Washington Mr. Gorbachev would also like to travel to Minnesota and California, possibly to see former President Reagan. (ABC-10, NBC-6)

POPULATION

Koppel: The world continues to get more crowded at the rate of three new babies every second. A new report today from the U.N. Population Fund says that by the year 2100 the world population could nearly triple to 14 billion. (ABC-11)

FLOODING

Schieffer: In Texas today 7,000 residents were told to evacuate their homes along the Trinity River, which is swollen from recent rain. Officials said damage from rain and flooding in northern Texas could approach \$700 million. Meantime, heavy weekend rain in Louisiana, which already forced the evacuation of 60 families near Shreveport, now threatened the most disastrous flooding in 45 years. It's estimated 600 square miles will flood in Louisiana. (CBS-10, ABC-7, NBC-7)

NAVY CRASH

CBS's Bob Schieffer reports that four people were reported missing today after a Navy helicopter crashed into the Atlantic about 17 miles southeast of Mayport, FL. The Navy said that none of the four has been found, but parts from the chopper have been recovered. According to the Navy the craft was one of three anti-submarine warfare craft returning home to Pennsylvania after maneuvers in the Bahamas. (CBS-7)

ABORTION

Koppel reports that on another matter before the Supreme Court, a defeat today for the anti-abortion group Operation Rescue. The court said that a claim of free speech does not give them the right to block access to abortion clinics in Atlanta, GA. A lower court injunction ordering demonstrators to stay away is legal. (ABC-2, CBS-3)

MANDELA

Brokaw: The man leading South Africa's racial struggle, Nelson Mandela, will visit the U.S. next month and meet with President Bush at the White House. He'll also address a joint session of Congress. Organizers of his trip say that Mandela will be honored with a ticker tape parade in New York City. (NBC-5)

HUBBLE TELESCOPE

Schieffer: Still more trouble tonight with the Hubble Space Telescope. Scientists trying to get the \$1.5 billion telescope to work now say its first historic snapshot of deep space will have to be postponed again until Saturday now at the earliest. The telescope failed its first focusing test when it became confused by the light of an unexpectedly bright star. (CBS-9)

-end of B-section-

EDITORIALS/COLUMNISTS

FAMILY LEAVE

A Modest Parental-Leave Bill -- "The parental-leave bill approved last week by the House is a modest step toward a more humane social policy. It hardly deserves to become the center of an all-out election-year fight between the President and Congress. If the Senate keeps its version of the bill within the narrow bounds set by the House, such a measure would deserve President Bush's signature.... Democrats are surely ready to remind Bush of his statement during the 1988 presidential race: 'We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness.' If President Bush wants to sustain his image as a 'kinder, gentler' leader, he should resist the temptation to overuse his veto power. It does the President and his Republican allies no credit to be seen as naysayers on such social initiatives as the clean-air overhaul, the day-care bill and the parental-leave measure. The economy can surely absorb the costs of such reasonable social-policy measures." (Cleveland Plain Dealer, 5/13)

The Parental-Leave Standoff -- "...Opponents from corporations and small businesses have convinced President Bush that the bill is too costly, that it could place them at a competitive disadvantage, and that no job benefit should be mandatory. These are hollow arguments. The GAO says that unpaid leave costs employers \$5.30 a year per employee, or 10 cents a week. As matters stand, workers and taxpayers lose far more. American workers lose \$12.2 billion a year in earnings when they have to give up jobs rather than take a leave to care for a new baby, stay with an ailing family member, or recover from an illness or injury of their own. Taxpayers expend \$4.3 billion to tide those workers over with unemployment compensation, Medicaid and food stamps. American business, however, has good reason to be wary that unpaid leave represents only a beginning on this issue. Other nations do far more.... Since many Republicans see parental leave as a basic family issue, President Bush will be hard put to justify a veto on this bill." (Boston Sunday Globe, 5/13)

Parental Leave -- There's No Call To Melt Before Veto Threat -- "President Bush's rhetoric about families doesn't amount to much when it comes to a pending bill that would guarantee short, unpaid leaves so that workers could meet family responsibilities.... Congress shouldn't fail to ensure minimal job-security for working parents who need time off in the hope that the lack of guaranteed leave would keep women from taking jobs in the first place.... Most parents of young children work because they need the money. It's hard to understand why this legislation has attracted such rabid opposition inside the beltway. Half of the states, including New Jersey, have enacted guaranteed-leave laws.... But since every American worker deserves this basic protection, it's time for the nation's timid leaders to follow suit."

(Philadelphia Inquirer, 5/9)

The Non-Benefit Bill -- "...The White House announced the other day that it would veto a 'family leave' bill now in Congress. The President's decision is good public policy.... It would be helpful if policy positions were discussed according to their merits rather than the moral make-up of the person who holds them. Sadly, politics doesn't work that way. The President should stick to his position nevertheless.... The crux of the President's objection lies in the word 'require.' As proof of his kindness and gentleness, President Bush has long exhorted private businesses to give their workers the type of benefits mandated by the bill. But he argues, rightly, that the federal government has no place dictating the terms of employment made between private employer and employee. Beyond the fundamental question about government's role, the bill presents other problems. It will rescind the right of both employer and employee to choose different benefits that may be more important to them, since the mandated benefit will supersede any other. Today workers can negotiate among a range of options; Older workers, for example, whose children are grown, have no need of parental leave. The bill will likely result in a net loss of benefits to them. The current flexibility boosts job creation, social mobility, personal choice and economic growth. Government diktats -- even those undertaken with the kindest and gentlest of motives -- do quite the reverse."

(Scripps Howard, 5/10)

Pro-Family Bush Snubs Real Family Law -- "...Family values have little real standing in so-called pro-family politics. They are given sentimental lip service, but the politics are in the cause of a larger, reactionary agenda. The pro-family label is used as an intimidating means to ends that include denying women safe, lawful abortions, censoring art and entertainment, forcing religion into public schools and so on. There is little practical concern about systemic strains on families and ways to ease them.... An increasing number of companies are offering benefits like those proposed by the [family-leave] legislation. Managers realize it is good business, making employees more loyal and letting companies keep people who have built up valuable experience. But business organizations, led by the U.S. Chamber of Commerce, oppose mandatory policies, and Mr. Bush answers when business calls. The President, however, presumably remains available for his customary, pandering speeches to the pro-family organizations, loaded with crowd-pleasing nostalgia hogwash and with ideas for punitive laws to bludgeon folks into the pro-family line."

(Atlanta Constitution, 5/9)

-end of News Summary-

THE WHITE HOUSE

WASHINGTON

May 15, 1990

Dear Ron,

It has now been confirmed that Gorbachev, after leaving Washington on June 3rd, will travel to Minnesota and California. His proposed schedule shows his arriving in San Francisco at 9:30 p.m. on Sunday, June 3rd and then having "breakfast and conversation" with President Reagan 9:30 a.m. to 10:15 a.m. on Monday June 4th.

This schedule was simply presented to us and last night the Soviet Ambassador asked that I convey this to you.

I will call you later today with a few more details.

Warmest regards,



*Phone
call file P.*

The Honorable Ronald Reagan
2121 Avenue of the Stars
Los Angeles, California 90067

THE WHITE HOUSE

WASHINGTON

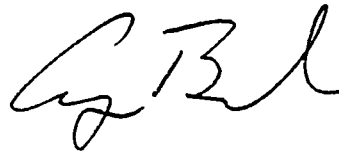
May 15, 1990

Dear Mr. Fowlkes:

Many thanks for the great fishing rod you presented to me during your visit to the White House. I appreciate your remembering me with this special gift.

Barbara joins in sending our best wishes to you and your mother.

Sincerely,

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

Mr. Wayne Fowlkes
1637 Wildwood Drive
Virginia Beach, Virginia 23454

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

May 15, 1990

STATEMENT BY THE PRESS SECRETARY

The President met for 1 hour and 40 minutes this afternoon with Congressional budget negotiators to consider a Federal budget that would reduce the deficit substantially on a multi-year basis, allow the economy to continue to grow, strengthen the budget process, and avoid the adverse economic and programmatic affects of a stalemate that otherwise might ensue.

The President and the negotiators agreed that it was important to reach an agreement as soon as possible. The President discussed the reasons for these summit meetings. He said there was no immediate crisis. "We are fortunate that the economy continues to grow," he said, "but it is important to act while the economy is still growing, for growth is not as strong or secure as it should be."

The President said interest rates are higher than forecast and receipts are lower. S&L related borrowing is up, so the estimated fiscal 1991 deficit is also going up.

The President concluded his opening remarks by saying, "The American people are tired of seeing the budget process seem to fail year after year. They would welcome our doing the job right and our fixing the process at the same time."

The Congressional leadership gave opening remarks concerning their interest in achieving a successful agreement and all indicated a shared responsibility by both branches of the government to reach agreement.

Budget Director Dick Darman outlined the current budget status. Several members discussed the extent of this problem and the difficulty of the task faced by negotiators. The group concurred that they must tackle this problem in good faith and would not publicly discuss specific recommendations or proposals.

Congressman Richard Gephardt will chair the next meeting Thursday, May 17 on Capitol Hill.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

May 15, 1990

PRESS BRIEFING BY
ASSISTANT SECRETARY OF STATE
FOR NEAR EASTERN AND SOUTH ASIAN AFFAIRS JOHN KELLY

The Briefing Room

11:45 A.M. EDT

MR. DAVIDSON: Welcome to the readout on the visit of President Ben Ali of Tunisia. It's ON THE RECORD, but not for sound and camera.

Q On the record?

MR. DAVIDSON: Yes, just for you.

Q No, it's going to be for all of us.

MR. DAVIDSON: Our briefer today is Assistant Secretary of State John Kelly.

ASSISTANT SECRETARY KELLY: Good morning. The two Presidents met in the Oval Office for about 20 minutes and then went into an expanded meeting with Secretary Brady of Treasury, the Chief of Staff Sununu, Acting Secretary Eagleburger, General Scowcroft. President Ben Ali was accompanied by two of his senior ministers and his accompanying delegation.

They talked about the U.S.-Tunisian bilateral relationship and problems in the region. And I'll try to give you a little detail and flavor on that. President Ben Ali is the current head of the Arab Maghreb Union -- that's the association of the five North African nations -- and so President Bush was talking to him in his bilateral capacity, but also in his role as head of the Arab Maghreb Union. And also, there is an Arab summit coming up around the end of next week, and so this was an opportunity for President Bush to talk to a key Arab leader before the Arab summit.

This will be the only meeting or communication -- the only meeting that President Bush will have with an Arab head of state before the Arab summit. So it was a chance to exchange views. Therefore, let me give you a rundown of what they talked about regionally.

They talked about the need for movement in the Arab-Israeli peace process -- the fact that the American government wants to resume efforts when a new government is formed in Israel to try to move the peace process forward and to try to move towards a dialogue in Cairo between Israelis and Palestinians. They talked about stability in the region, and there will be further discussion of that in the meetings that President Ben Ali will have with Acting Secretary Eagleburger and with other cabinet ministers.

On the bilateral side, President Bush saluted President Ben Ali's leadership of his country as they head towards expanded democracy and economic reforms. There was a discussion of the free market reforms that President Ben Ali and his government are trying to institute in Tunisia. As a last thing to tick off, the two Presidents talked about education and about the need to try to devise a program of scholarships for Tunisian students who might be interested in studying in the United States.

I'll be happy to try to answer your questions.

MORE

Q What about the peace process? I mean, did he convey any message from Arafat on this particular issue?

ASSISTANT SECRETARY KELLY: I think that President Ben Ali reiterated some themes that are common among Arab nations and Arab leaders, their desire for movement on the process, their conviction that the American effort embodied in the Baker Plan and assisted by the government of Egypt is something that they don't want to see end up nowhere.

Q What about the message he -- Arafat said he gives to the Tunisian President, to the American President?

ASSISTANT SECRETARY KELLY: They discussed the peace process in general. I'm not going to get into the exact blow-by-blow exchange. But President Ben Ali expressed the strong Arab interest to move forward. And President Bush expressed the interest and continued will of the United States to try to move the process forward towards a dialogue between Israelis and Palestinians in Cairo.

Q But are you confirming that there was a message from Mr. Arafat --

ASSISTANT SECRETARY KELLY: I'm going to leave that up to the Tunisians.

Q Why can't you say?

ASSISTANT SECRETARY KELLY: Because I think the better part of discretion is to let the Tunisians speak for themselves on that part. I can talk about the issues the two Presidents talked about. And they went into the Middle East Peace process in detail and the views and desires of the Arab states and Arab side.

Q Did they discuss the settlement of Soviet Jews in Israel?

ASSISTANT SECRETARY KELLY: Yes. The subject did come up. President Bush expressed U.S. concern at continued settlements in the occupied territories.

Q What about Tunisian leader? Who brought up the subject?

ASSISTANT SECRETARY KELLY: My recollection is that President Ben Ali brought it up. But it was a pretty free-flowing discussion. They weren't reading from set pieces of paper. So, it -- I think President Ben Ali was the first to raise the issue.

Q Was also any specific thing about Jerusalem as part of the territory --

ASSISTANT SECRETARY KELLY: Jerusalem didn't come up. In the expanded session -- I wasn't in the Oval Office for the one-on-one, so I'm not certain whether it came up there.

Q Would you then say that the President, when talking about the West Bank, was East Jerusalem included?

ASSISTANT SECRETARY KELLY: Jerusalem didn't come up in the discussion.

Q But when the White House talks about the West Bank, do they --

ASSISTANT SECRETARY KELLY: I'm describing the meeting that transpired just now, not doing a general review of Middle East positions. And Jerusalem didn't come up in this conversation.

Q What about the issue of Iraqi weapons development? Was that discussed?

ASSISTANT SECRETARY KELLY: Did not come up in the meetings. It might have come up in the Oval Office. I wasn't there. It didn't come up in the expanded meeting.

Q What about the Islamic fundamentalism in the Maghreb, and especially in Tunisia?

ASSISTANT SECRETARY KELLY: I'm told that in the Oval Office they talked about problems of the Maghreb. Since I wasn't in there, I don't know what the specifics were.

Q What he said about democracy, I mean, the demonstration outside, asking for the five-point democratic change. Did you raise about any democratic acts the United States wants Ben Ali to move toward?

ASSISTANT SECRETARY KELLY: There was a discussion of democratic reforms in Tunisia and recognition that next month the Tunisians are going to hold local elections in their country, that there are six or seven political parties participating. So yes, there was a discussion of Tunisia's efforts on the democratic side in general terms, yes.

Q What about allowing other parties? I mean, they are restricting other parties -- did you raise this topic or not?

ASSISTANT SECRETARY KELLY: That didn't come up specifically, no.

Q You did mention that the President talked to the Tunisian -- party summit -- Arab summit in Baghdad and that the Tunisian President will be the only Arab president you will see before the -- can you tell us what -- a little more details about what exactly --

ASSISTANT SECRETARY KELLY: Well, it was in the context of the discussion I've already described that they had on the peace process, the desire on the part of Arab states to see movement and the desire on the part of the United States.

Q You said they didn't discuss weapons proliferation in Iraq. Did they talk about Libya?

ASSISTANT SECRETARY KELLY: I'm confident they did talk about Libya in the Oval Office, because they said they talked about the problems of the Maghreb. They said thus to us the rest of them who joined, and it came up in passing in the larger meeting, and the President expressed the well-known concerns and reservations we have about the Libyan leadership.

Q Was the Western Sahara conflict discussed at all?

ASSISTANT SECRETARY KELLY: No.

Q What was Mr. Ben Ali's reaction to those concerns about Libya, his cooperating with them in this organization of North Africa? I mean, when he heard that President Bush had pressed concern about Libyan activities, what was his reaction? Did he give any assurances that they are trying to --

ASSISTANT SECRETARY KELLY: President Ben Ali expressed in general terms, in the part in which I was present, the efforts that he and the other Maghreb leaders are undertaking to try to, I guess, lead or induce Libya to have more normal relations with other countries in the world. And as I said, President Bush reiterated American concerns.

Q Was Mr. Ben Ali bringing any message from Colonel Gadhafi to President Bush?

ASSISTANT SECRETARY KELLY: None that I heard.

Q Just to follow up on the earlier questions about settlement of Soviet emigres in Israel, you said the President expressed or repeated the U.S. concerns about the settlement in occupied areas. Did he also repeat that the U.S. believes they have the right to come to Israel?

ASSISTANT SECRETARY KELLY: Yes, indeed. The President did reiterate our support for emigration from the Soviet Union and the right of Soviet Jews to settle in Israel within the boundaries that existed before 1967.

Q Is it going beyond, is emigration going into the West Bank and Gaza now, do we know? And what we do about it? What can we do about it?

ASSISTANT SECRETARY KELLY: Well, the discussion in the meeting between the two Presidents was about the potential impact of emigration, and the President stated our position of opposition to the settlement of people in the occupied territories.

Q But are we willing to curtail aid if they do defy that?

ASSISTANT SECRETARY KELLY: Now you're asking me to make policy, and I'm describing a meeting that just happened between the two Presidents.

Q There's nothing concrete. Was anything concrete out of this meeting at all?

ASSISTANT SECRETARY KELLY: It was a good, thorough exchange of views.

Q What about the recycling of the debt? Did you have any idea about what Tunisia wants?

ASSISTANT SECRETARY KELLY: The President raised the -- President Ben Ali raised the issue of recycling debt and the two Presidents talked about it briefly and agreed that when Secretary Brady, the Secretary of Treasury, calls on President Ben Ali, I'm not sure whether it's this afternoon or tomorrow, that the two of them are going to pursue the issue.

Q What do they want? They want you to divest half of the money you get from them there or what?

ASSISTANT SECRETARY KELLY: President Ben Ali didn't go into the details. President Bush indicated our support for their economic reforms and the fact that we are going to try to increase the assistance we give them so that they can be more effective in bringing in a free-market system and broadening their economic reform proposals. But the two did not get into nuts and bolts on the dead issue.

Q What are you talking about in terms of an increase? What do they receive now and what are you thinking about?

ASSISTANT SECRETARY KELLY: Let me just find my sheet of statistics here. FY '89, last fiscal year, all kinds of assistance. That means foreign military sales, economic assistance and various kinds of agricultural, PL 480 programs and CCC, agricultural export credits for last fiscal year totaled \$107 million. For this fiscal year, we are looking at \$135 million for the global total.

Q For FY '90?

ASSISTANT SECRETARY KELLY: For FY '90, that is correct.

MR. DAVIDSON: We have time for one last question.

Q Two, please. First the hostages. Did it come up?

ASSISTANT SECRETARY KELLY: The subject of hostages did not arise.

Q Secondly, did the President express hopes or what he expects from the Arab summit and relating to the peace process?

ASSISTANT SECRETARY KELLY: Not in explicit terms. But because we discussed our hopes and our expectations for the peace process and our belief that moderation and abandonment of terrorism is important, implicitly the President conveyed our view on that subject.

THE PRESS: Thank you very much.

END

11:58 A.M. EDT

Tue 15-May-90 23:50 EDT

Barbara will invite Raisa to Wellesley College

By THOMAS FERRARO

WASHINGTON (UPI) — Barbara Bush said Tuesday she intends to ask Raisa Gorbachev to accompany her to Wellesley College next month and predicted that the students "will be thrilled."

"If she wants to go, I'd love to have her," Mrs. Bush told reporters during a White House state dinner. "The timing is right."

Mrs. Bush is to give the June 1 commencement address at the women's college in Wellesley, Mass., despite complaints that the first lady is a "poor role model" for women since her success is largely due to being the president's wife.

About 120 of the more than 2,000 students signed a petition to protest the selection of Mrs. Bush, saying Wellesley has always stressed individual accomplishments.

Mrs. Gorbachev and her husband, Soviet President Mikhail Gorbachev, will be in the United States from May 30 to June 4. Most of their time will be spent in Washington for a superpower summit.

President Bush has said that Wellesley students could learn plenty from his wife, and Mrs. Bush said, "I will invite" Mrs. Gorbachev to accompany her to Wellesley.

The first lady quickly added, however, that she is still waiting to hear what Mrs. Gorbachev's plans are for the U.S. visit, which begins two days before the Wellesley commencement.

Mrs. Bush, asked how she expects Wellesley students to respond to a visit by Mrs. Gorbachev, a college professor, smiled and said, "I think they will be thrilled."

If Mrs. Gorbachev accepts Mrs. Bush's invitation to go to Wellesley, there are indications that the U.S. first lady may also ask the Soviet first lady to address the students.

There are also indications that Mrs. Bush and Mrs. Gorbachev will have a much warmer relationship than the chilly one that existed between the Soviet first lady and Nancy Reagan.

Tue 15-May-90 14:36 EDT

Bushes Took Thousands In Gifts

WASHINGTON (AP) President Bush and his wife accepted at least \$26,839 worth of personal gifts last year, including cowboy boots and baseball cards, \$3,100 worth of evening bags, and a gingerbread house for their dog Millie, the White House said Tuesday.

The White House released the president's annual financial disclosure report cataloguing the gifts as well as listing his assets and income. It said the value of the holdings in his blind trust grew in 1989 to \$1.28 million from \$998,000.

The gift-givers included the Aga Khan, two neckties and a watch worth \$300; Soviet President Mikhail S. Gorbachev and his wife Raisa, Christmas ornaments and children's books worth \$125; designer Ralph Lauren, a \$425 sweater, and golfer Lee Trevino, whose \$466 worth of presents included 11 golf shirts, two caps, one club and six instructional videotapes.

The report said the Bushes have \$1,000 in a savings account at the White House credit union, \$8,000 in another interest-bearing account in Kennebunkport, Maine, and a total of \$23,000 in two checking accounts in Washington and Houston that pay no interest.

The president was required to hand over to the State Department all official gifts worth more than \$180 from foreigners — with some exceptions. He can keep gifts deemed personal presents from friends, as he did with the Aga Khan's neckties and watch.

He can keep gifts from Americans of any value, but has to report any gifts from a single source totaling \$100 or more.

Included in the presidential gifts were:

A sweatshirt, jogging shoes and tennis shoes from tennis star Bjorn Bjorg: \$150.

A pair of "We the People" cufflinks from retired Supreme Court Chief Justice Warren Burger, as well as 25 books about the Constitution for the Bush grandchildren: \$245.

A \$995 pair of cowboy boots from bootmaker Rocky Carroll and his wife in Houston.

A \$100 sterling silver box from Italian President Francesco Cossiga.

Some \$331 worth of Mickey and Minnie Mouse dolls and statues from Disney executive Michael Eisner and others.

A \$75 shawl for Mrs. Bush from the Gorbachevs, in addition to the \$125 worth of books and Christmas ornaments.

The \$100 gingerbread house for Millie and a scrapbook and necktie worth \$235 for the president from public relations executive Robert Gray.

Four evening bags worth \$3,102 for Mrs. Bush from designer Judith Lieber of New York.

A pair of boots for Bush and 11 pairs for his grandchildren from Steve Pickens of Nocona, Texas: \$700.

A cup and saucer worth \$800 for Mrs. Bush from Happy Rockefeller, widow of the late vice president.

Baseball cards worth \$288 from Hall of Famer Stan Musial and Edward Stack of Cooperstown, N.Y.

Two pieces of luggage and a basket for Millie from entertainment mogul Jerry Weintraub of Malibu, Calif.: \$725.

Tue 15-May-90 15:42 EDT

BUSH FINANCIAL DISCLOSURE STATEMENT SHOWS HE'S A MILLIONAIRE

WASHINGTON, Reuter - President Bush released a financial disclosure statement Tuesday showing the value of assets held in a blind trust as \$1.275 million -- an increase in his net worth of \$277,000 over last year.

Bush's disclosure statement also shows that he and Barbara Bush received a box of glass Christmas ornaments, a shawl and books for their grandchildren as Christmas gifts from Soviet President Mikhail Gorbachev and his wife Raisa last year.

Bush and other high-level officials are required by law to file the disclosure statement annually.

There was no detailed breakdown on the increase in value of Bush's assets. They are held in a blind trust managed by professional financial experts without his involvement to avoid possible conflicts of interest.

The trust was valued at \$998,000 a year ago.

However, most of the increase apparently came from higher earnings. Bush disclosed unspecified earnings of \$156,000 in 1988 and \$243,000 last year.

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Wed 16-May-90 1:32 EDT

President Lists Personal Worth at \$2.3 Million

By RITA BEAMISH

Associated Press Writer

WASHINGTON (AP) — President Bush's personal worth is valued at \$2,352,500, most of it in a blind trust, and he has liabilities of just \$49,000, the White House says.

In addition to the blind trust, Bush's principal asset is his seaside home in Kennebunkport, Maine, which he valued at \$892,000, according to disclosure forms released Tuesday. However, other estimates have put the value of the oceanside compound at more than \$3 million.

Vice President Dan Quayle and his wife Marilyn reported assets ranging from at least \$691,004 to \$1,045,000 or more. The Quayles' tax return, released last month, showed interest and dividend income of \$16,430, primarily from stock holdings in Central Newspapers Inc., a publishing company owned by Quayle's family.

The Quayles' only liability was the mortgage on their home in McLean, Va., which they rent out while living in the vice presidential residence. The mortgage was listed as between \$100,001 to \$250,000. They paid off a promissory note of less than \$50,000 to Huntington Newspapers on Feb. 28, 1990.

Regulations permit federal officials to list assets and liabilities in ranges rather than precise dollars.

The disclosure forms showed that both the Bushes and the Quayles collected more than \$20,000 in all kinds of personal gifts, from cowboy boots, to evening bags to baseball cards.

They must publicly disclose any gifts from a single source valued at more than \$100.

Spokesmen for Bush and Quayle said many of the gifts were given away to family and friends, such as the 11 pairs of boots a Texan sent for the Bush grandchildren.

Bush and his wife Barbara received at least \$26,839 worth of such personal gifts last year, including a \$995 pair of cowboy boots and a box of glass Christmas ornaments and tinsel from Soviet President Mikhail Gorbachev, the forms showed.

Mrs. Bush received the most expensive gift listed on the report: four evening bags valued at \$3,102 from a New York designer, Judith Leiber.

First dog Millie got a gingerbread-style Christmas doghouse made from dog biscuits that was valued at \$100 from public relations executive Robert Gray.

The Quayles collected \$23,014 in personal presents, including a pair of hunting knives worth \$2,750 from Gilbert Hibben of Hibben Enterprises in Louisville, Ky.

The disclosure form said Bush's blind trust grew in value in 1989 to \$1.28 million from \$998,000.

In addition to the Kennebunkport home, the Bushes' assets not in the blind trust were listed as: a lot in Houston valued at \$81,000, insurance policies with a cash value of \$39,000, bank accounts worth \$32,000 and individual retirement accounts worth \$32,500.

The Bushes have no mortgage. Their only liabilities are three 5 percent loans totaling \$49,000 against their life insurance policies.

Among their gifts: two neckties and a watch worth \$300 from the

(Cont.)

(2)

Aga Khan; a \$455 sweater from designer Ralph Lauren; \$466 worth of golf shirts, caps, golf club and instructional videotapes from golfer Lee Trevino; a sweatshirt, jogging shoes and tennis shoes from tennis star Bjorn Bjorg worth \$150; a \$100 sterling silver box from Italian President Francesco Cossiga.

A \$288 set of baseball cards came from Hall of Famer Stan Musial and Edward Stack of Cooperstown, N.Y.; and three small tins of caviar from Herbert S. Hoffman of Boston worth \$255.

The gifts to the Quayles included: \$1,591 in Izod shorts and slacks from Izod executive Charles J. Smith; a \$750 Indianapolis 500 racing helmet from Bill Marvel, an official of the race; 10 pairs of No Excuses bluejeans worth \$260; and \$1,271 worth of golf equipment from the Ben Hogan Co.

Bush and Quayle do not have to pay taxes on the gifts they keep.

They must turn over to the State Department all official gifts worth more than \$180 from foreigners, except personal presents from foreign friends.

Tue 15-May-90 17:53 EDT

Bush financial worth

By HELEN THOMAS

UPI White House Reporter

WASHINGTON (UPI) — President Bush filed an annual financial disclosure report Tuesday that showed his qualified blind trust is valued at \$1,275,000 and that the gifts he accepted last year ran from sporting outfits to children's books from Soviet President Mikhail Gorbachev.

Bush also reported that his taxable income on the blind trust was \$208,000, the ordinary tax-exempt income was \$9,000 and the capital gain was listed as \$36,000.

White House press secretary Marlin Fitzwater said that the trust fund had increased from \$998,000 last year.

His summer home in Kennebunkport, Maine, was valued at \$892,000 and his real estate lot in Houston, Texas, was valued at \$81,000.

The president's checking and savings accounts in four banks totaled \$32,000 and his retirement plans amounted to \$32,500.

Bush also has life insurance plans totaling \$36,000.

Under Foreign Gifts and Decorations Act, the president and other government officials may not accept presents valued at more than \$180. Gifts above that can be accepted only on behalf of the United States government and turned over to the government's gifts division.

Gifts from domestic donors have no price cap if they are reported.

Bush received a number of gifts attesting to his love of jogging, tennis, fishing and of course golfing.

Among the gifts were sweatshirts, jogging shoes, caps, T-shirts for grandchildren; cowboy boots, a case of wine and three small tins of caviar, valued at \$255.

The Bushes received one cup and saucer worth \$800 and from the Aga Khan, one of the richest men in the world.

Several gifts were reported for Mrs. Bush, including four evening bags by Judith Leiber valued \$3,102 in the shape of glittery little animals. There were also 10 audio books which the first lady often has used while swimming in the White House pool.

The Bushes English springer spaniel Millie received a bed, valued at \$100 and a gingerbread house.

Vice President Dan Quayle's disclosure statement showed him with a net worth of about \$1 million. At least \$350,000 of it is stock in Central Newspapers, Inc., the newspaper chain founded by Quayle's maternal grandfather, Eugene Pulliam.

The statement also showed that Quayle's private home in McLean, Va., where he and his family lived before he became vice president, is valued at more than \$250,000, and that he has two individual retirement accounts worth more than \$10,000.

In addition, the statement showed that Quayle received more than \$22,000 in gifts last year, including mounted badges from the Organization of Chiefs of Police valued at \$425 and a putter from golfer Orville Moody valued at \$100.

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Tue 15-May-90 18:18 EDT

The White House Haul: From Cowboy Boots To Caviar

By CHRISTOPHER CONNELL

Associated Press Writer

WASHINGTON (AP) — President Bush and his wife received at least \$26,839 worth of personal gifts last year, from three small tins of caviar to a \$995 pair of cowboy boots, the White House disclosed Tuesday.

Among the gifts: a box of glass Christmas ornaments and tinsel from the communist president of the U.S.S.R.

Vice President Dan Quayle and his wife Marilyn did nearly as well, collecting \$23,014 in personal presents, including a pair of hunting knives worth \$2,750 and an inaugural medal and charm valued at \$3,595.

The booty was listed on disclosure forms that all top government executives are required to fill out each year.

Not all of the gifts wound up in the presidential closet or attic. Some were doled out to Bush's family and friends, including 11 pairs of boots a Texan sent for the Bush grandchildren.

The most expensive Bush gifts were four evening bags valued at \$3,102 that Mrs. Bush received from a New York designer, Judith Leiber.

The president's haul included a \$288 set of baseball cards from Hall of Famer Stan Musial and Edward Stack of Cooperstown, N.Y.

The "three small tins of caviar" came from Herbert S. Hoffman of Boston and were valued at \$255. Bill Humble of Little Rock, Ark., gave Bush 22 neckties worth \$396.

The disclosure form said Bush's blind trust grew in value in 1989 to \$1.28 million from \$998,000. It said the president's home in Kennebunkport, Maine, is worth \$892,000 and a lot in Houston worth \$81,000. The Bushes have \$34,000 in various bank accounts, \$32,500 in retirement accounts, and life insurance policies with a cash value of \$39,000.

They have no mortgage. Their only liabilities are three 5 percent loans totaling \$49,000 against their life insurance policies.

Bush reported assets totaling \$2,352,500 and liabilities of only \$49,000.

Although Bush lists the value of the Maine home at the \$892,000 established by local tax officials, some real estate authorities say it would fetch \$3 million to \$5 million on the current market.

Most of the president's assets were in his blind trust and the seaside home in Kennebunkport.

The Aga Khan gave Bush two neckties and a watch worth \$300. From designer Ralph Lauren came a \$455 sweater. Golfer Lee Trevino's \$466 worth of gifts included 11 golf shirts, two caps, one club and six instructional videotapes.

Presidential pooch Millie shared in the largesse, including a gingerbread-style Christmas doghouse made from dog biscuits that was valued at \$100. It came from public relations executive Robert Gray.

The president was required to hand over to the State Department all official gifts worth more than \$180 from foreigners — with some exceptions. He can keep gifts deemed personal presents from friends, as he did with the Aga Khan's neckties and watch.

He can keep gifts from Americans of any value but has to report any gifts from a single source totaling \$100 or more.

(cont.)

The disclosure form did not list the gifts totaling less than \$100 that the Bushes kept. It also did not catalogue the gifts the Bushes handed over to the government.

"The president gives away a lot of these gifts," said presidential spokesman Marlin Fitzwater.

Included in the presidential gifts were:

A sweatshirt, jogging shoes and tennis shoes from tennis star Bjorn Bjorg: \$150.

A pair of "We the People" cufflinks from retired Chief Justice Warren Burger, as well as 25 books about the Constitution for the Bush grandchildren: \$245.

A \$995 pair of cowboy boots from Houston bootmaker Rocky Carroll.

A \$100 sterling silver box from Italian President Francesco Cossiga.

Some \$331 worth of Mickey and Minnie Mouse dolls and statues from Disney executive Michael Eisner and others.

A \$75 shawl for Mrs. Bush from the Gorbachevs, in addition to the \$125 worth of children's books and Christmas ornaments.

A pair of boots for Bush and 11 pairs for his grandchildren from Steve Pickens of Nocona, Texas: \$700.

A \$125 wooden Santa Claus statue from Bety McBee of Dallas.

A cup and saucer worth \$800 for Mrs. Bush from Happy Rockefeller, widow of the late vice president.

Two pieces of luggage and a basket for Millie from entertainment mogul Jerry Weintraub of Malibu, Calif.: \$725.

The gifts to the Quayles included: \$1,591 in Izod shorts and slacks from Izod executive Charles J. Smith; a \$750 Indy 500 racing helmet from Bill Marvel, an official of the race, which Quayle started last Memorial Day; 10 pairs of "No Excuses" bluejeans worth \$260; framed letters of Indiana vice presidents worth \$1,900, from Jack Smith of South Bend, Ind.; and \$1,271 worth of golf equipment from the Ben Hogan Co.

Quayle's hunting knives were a gift from Gilbert Hibben of Hibben Enterprises in Louisville.

Quayle spokesman David Beckwith said, "Some of (the gifts) have been given away, either to charity or staff or friends."

Bush and Quayle do not have to pay taxes on the gifts they keep.

Quayle, scion of an Indiana publishing family, listed assets ranging from at least \$691,004 to \$1,045,000 or more. His tax return, released last month, showed interest and dividend income of \$16,430, primarily from stock holdings in Central Newspapers Inc.

The Quayles' only liability was the mortgage on their home in McLean, Va., which they rent out. The mortgage is between \$100,001 to \$250,000. They paid off a promissory note of under \$50,000 to the Huntington Newspapers on Feb. 28, 1990.

5-16-90

GIFTS FOR BUSHES

Presents reflect president's interest in outdoor activity

Soviet President Mikhail Gorbachev and wife Raisa head the list of 110 people who presented gifts to President and Barbara Bush in 1989, according to a presidential report out Tuesday. Other gifts came from Congress members, one Cabinet member, sports figures and world leaders. Bush's gift list (Story, 1A):

- ▶ Chris Johnson, fishing rod, hat, \$384.
- ▶ Gerral Jones, football helmet, jacket, \$140.
- ▶ Norman Kaplan, 2 shirts, \$175.
- ▶ Richard Kaplan, pill box, \$100.
- ▶ Stuart Kern, photograph album, \$175.
- ▶ Mrs. Joseph Lauder, leather case with cosmetics and toiletries, \$185.
- ▶ Ralph Lauren, sweater, \$425.
- ▶ Judith Leiber, 4 purses, \$3,102.
- ▶ Carl Lindner, 8 videotapes, necklace, \$890.
- ▶ Peter Lunder, shoes, \$220.
- ▶ Marie Mahan, porcelain box, \$499.
- ▶ Kitlone Maile, putter, \$120.
- ▶ Carol Mann, three woods, irons, dozen gloves, \$725.
- ▶ Betty McBee, Santa statue, \$125.
- ▶ Allan Mittelman, sunglasses, \$149.
- ▶ Rep. G.V. Montgomery, 3 ties, \$113.
- ▶ Tracy Morrison, 5 T-shirts, sweatshirt, license plate, 3 caps, 3 emblems, \$164.
- ▶ Secretary, Mrs. Robert Mosbacher, scarf, cosmetic case, sweater, \$340.
- ▶ George Nichol, golf clubs, \$625.
- ▶ Frank Oelerich, two tackle boxes filled with fishing flies, \$145.
- ▶ Digger Phelps, sweatshirt, six pairs of socks, three shirts, \$125.
- ▶ Steve Pickens, cowboy boots, 11 pairs for grandchildren, \$700.
- ▶ Mrs. Charles Price, antique porcelain dessert plates, \$400.
- ▶ Mrs. Richard Raines, sweatsuit, \$125.
- ▶ Cindy Ratzlaff, 10 audio books, \$145.
- ▶ Mrs. Nelson Rockefeller, cup and saucer, \$800.
- ▶ Dr. Thomas Rosandich, jogging suit, jersey, 3 shirts, 6 ties, shorts, T-shirts, six paperweights, 24 lapel pins, \$441.
- ▶ Lewis Rudin, crystal apple, \$275.
- ▶ Gerald Sampson, William Tobin, perfume products, \$316.
- ▶ Mrs. Mark Searce, julep cup, \$150.
- ▶ John Scott, waders, shoes, \$324.
- ▶ Lynda Sheldon, 12 books, \$176.
- ▶ John Silber, 2 sweatsuits, 2 caps \$130.
- ▶ Gov. Mrs. George Sinner, Wayne Davis, necklace, bracelet, \$215.
- ▶ Edward Stack, Stan Musial, baseball cards, \$288.
- ▶ Jacob Stein, 8 ties, \$400.
- ▶ Sen. Ted Stevens, coat, \$269.
- ▶ Robin Stuart, necklace, \$120.
- ▶ Shirley Thomson, 3 books, \$120.
- ▶ Charles Thornton, jogging suit, \$118.
- ▶ Janet, John Trefethen, wine, \$450.
- ▶ Lee Trevino, 11 golf shirts, 6 video tapes, 2 caps, golf club, \$466.
- ▶ Jeff Vadakin, 5 fishing rods, \$375.
- ▶ The Honorable, Mrs. Al Verrier, neckties, robe, \$250.
- ▶ Sen. Malcolm Wallop, Sen. Al Simpson, Rep. Craig Thomas, coat \$149.
- ▶ Mr., Mrs. Jerry Weintraub, luggage dog basket, \$725.
- ▶ Connie West, rod, reel, \$123.
- ▶ Eddie White, 5 sweatshirts, \$180.
- ▶ Paul Wilensky, 2 jackets, chest, 1 tapes, \$207.
- ▶ Sue Wiley, shoes, cap, \$130.
- ▶ Chuck Yash, 66 golf balls, \$110.
- ▶ Aga Khan, 2 neckties, watch, \$300.
- ▶ Rep. Bill Archer, tennis shorts, sweatshirts, shirt, sweater, shorts, \$205.
- ▶ Sherry Baker, perfume, sachets, potpourri, mirror in a hat box, \$475.
- ▶ Bjorn Borg, sweatshirt, jogging shoes, tennis shoes, \$150.
- ▶ Timothy Boyle, fishing vest, casting shirt, wading shorts, two caps, \$140.
- ▶ Mr., Mrs. Frank Brenner and David Margulies, silver medallion, \$300.
- ▶ Stephen Brown, John Jarboe, vest for child, \$100.
- ▶ James Bryan, 24 caps, \$240.
- ▶ Former Chief Justice Warren Burger, "We the People" cuff links, 25 books about Constitution, \$245.
- ▶ Mr., Mrs. August Busch, enameled box, \$140.
- ▶ Richard, Jim Cabela, two fishing rods, reel, box of flies, \$511.
- ▶ Lois Callahan, 11 T-shirts for grandchildren, two sweatshirts, \$140.
- ▶ Mr., Mrs. Rocky Carroll, cowboy boots, \$995.
- ▶ Susan Connell, case of wine, \$150.
- ▶ Mr., Mrs. Lodwick Cook, two sweaters, picture frame, \$177.
- ▶ Italy's President Francesco Cossiga, sterling silver box, \$100.
- ▶ William Davidson, Isiah Thomas, sweatsuit, warm-up suit, jersey, hats, T-shirts, game ball, \$225.
- ▶ James Davis, tennis shoes, \$120.
- ▶ Mary Jane Donnalley, tennis racket, \$240.
- ▶ Fred Drilling, tennis racket, \$230.
- ▶ Jim Efthimiou, fishing rod, reel, \$406.
- ▶ Michael Eisner, Frank Wells, John Cooke, Patrick Davidson, Mickey and Minnie Mouse statues, nine Mickey and Minnie Mouse plush dolls, \$331.
- ▶ Mrs. Robert Evans, White Flower Farm gift certificate, \$100.
- ▶ Joseph Fekete, 47 caps, \$282.
- ▶ Larry Foster, rod, reel, \$250.
- ▶ Major Carl Frechette, print, \$100.
- ▶ Rhonda Gainer, 19 T-shirts, \$228.
- ▶ A. Bartlett Glamatti, jacket, baseball glove, carry bag, cap, baseball, \$175.
- ▶ John Gibb, ball point pen, \$100.
- ▶ Mikhail, Raisa Gorbachev, box of glass Christmas ornaments, tinsel, 7 children's books, shawl, \$200.
- ▶ Martha Graham, necklace, \$150.
- ▶ Robert Gray, necktie, scrapbook, doghouse, \$335.
- ▶ Lionel Hampton, 5 ties, scarf, \$325.
- ▶ Mr., Mrs. Irv Harrison, dog bed, \$100.
- ▶ Lawrence Hite, tennis racket, tennis bag, 6 balls, cap, two towels, thermos, magazines, two books, notebook, \$320.
- ▶ Herbert Hoffman, caviar, \$255.
- ▶ Mr., Mrs. Bill Humble, 22 ties, \$396.

Bush: Gifts for all sports

By Jessica Lee
USA TODAY

USA gift-givers picture George Bush the sportsman — not the statesman.

The president received equipment for golf, jogging, fishing, tennis and baseball — worth about \$10,000 — his 1989 financial disclosure form showed Tuesday.

Together the Bushes accepted personal gifts worth about \$27,000, including:

▶ 9 Mickey and Minnie Mouse dolls and statues worth \$331 from Walt Disney chief Michael Eisner.

▶ Sweatshirt, socks and shirts worth \$125 from Notre Dame basketball coach Digger Phelps.

▶ Baseball gear worth

\$175 from the late commissioner, A. Bartlett Glamatt.

▶ Baseball cards from Hall of Famer Stan Musial.

By law, Bush must turn over to the State Department official gifts worth more than \$180 from foreigners. He may keep gifts from U.S. citizens but report those worth more than \$100.

Designer Judith Leiber's gift of four evening bags to first lady Barbara Bush topped the list at \$3,102.

Bush's most expensive gift, cowboy boots worth \$995 from Mr. and Mrs. Rocky Campbell, Houston.

Even first dog Millie got a bed and a gingerbread house, both valued at \$100.

▶ First couple's gift list, BA

5-16-90

'89 Gifts to Bushes: Ties, Boots, a Doghouse

WASHINGTON, May 15 (AP) — President Bush and his wife, Barbara, accepted at least \$26,839 worth of personal gifts last year, including cowboy boots and baseball cards, \$3,100 worth of evening bags, and a gingerbread house for their dog Millie, the White House said today.

The cataloguing of the gifts, as well as reporting of the President's assets and income, were included in Mr. Bush's annual financial disclosure form, which is required by law and was released by him today. The report said the value of the holdings in his blind trust grew to \$1.28 million in 1989 from \$998,000 in 1988.

Among others, the presents came from the Aga Khan, the Muslim religious leader, who gave two neckties and a watch worth \$300 altogether; the Soviet President, Mikhail S. Gorbachev, and his wife, Raisa, who gave Christmas ornaments and children's books worth \$125; the designer Ralph Lauren, who gave a \$425 sweater; and the golfer Lee Trevino, whose \$466 worth of presents included 11 golf shirts, two caps, one club and six instructional videotapes.

The President is required to turn over to the State Department all official gifts worth more than \$180 from foreigners. But he can keep gifts deemed personal presents from

friends, as he did with the Aga Khan's neckties and watch. He can keep gifts of any value from Americans but must report any from a single source totaling \$100 or more.

"The President gives away a lot of these gifts," said Marlin Fitzwater, the White House press secretary. Caps and T-shirts, for instance, wind up on Mr. Bush's grandchildren or in the hands of friends, Mr. Fitzwater said.

5-16-90

Bush accepts arf-fully nice gifts

By DEBORAH ORIN
Bureau Chief

WASHINGTON — President Bush and his wife, Barbara, accepted nearly \$27,000 in gifts last year — including a \$100 bed for First Dog Millie, a \$100 gingerbread house for Millie and an evening handbag with Millie's face on it.

The most expensive gift accepted by far was a total

of four evening bags worth \$3,102 from New York designer Judith Leiber — including one she specially designed with Millie's face.

The gifts are shown on Bush's financial disclosure form, which also reports that the president — whose 1989 income was \$483,000 — saw the value of his blind trust rise 25 percent from \$998,000 to nearly \$1.3 million last year.

Many of the presents ap-

parently were intended for Bush grandchildren, including Mickey and Minnie Mouse statues and plush dolls from Disney's Michael Eisner.

Bush must turn over to the State Department most official gifts from foreigners worth more than \$180. He can keep gifts from Americans but must report those worth over \$100.

The late Baseball Commissioner A. Bartlett Gia-

matti gave the president a jacket, a baseball glove, a carry bag, a cap and a baseball.

Soviet chief Mikhail Gorbachev and his wife, Raisa, gave a box of glass Christmas ornaments and tinsel, seven children's books and a shawl worth a total of \$200.

For the sports-mad president, it was no surprise that the gift list included lots of fishing gear.

5-16-90

Bush haul includes clothes, sports gear

By Owen Ullmann
Inquirer Washington Bureau

WASHINGTON — What to get the man who has everything? If that man is George Bush, you can never get him enough hats, ties, fishing rods, running clothes or sports gear.

Sports-related equipment was the most frequent gift the President accepted in 1989, according to a financial disclosure form released by the White House yesterday.

Presidents get thousands of personal gifts each year and turn most of them over to the government. But George and Barbara Bush kept 92 presents worth \$26,839 in 1989, according to the disclosure form, which reports only personal gifts from a single source totaling \$100 or more.

The list reveals much about the President's personal tastes.

Bush kept seven dozen hats, four dozen neckties, three dozen T-shirts, one dozen fishing rods and seven sweatsuits.

Other sports equipment included tennis clothes, shoes, rackets and

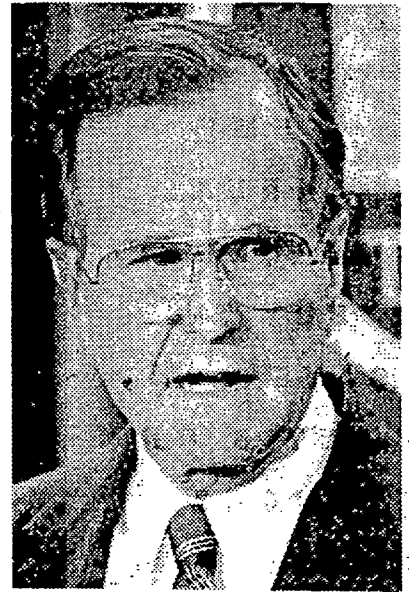
balls; running shorts and shoes; fishing clothes and gear; golf clothes, clubs and balls; and sweatshirts, a football helmet, sports shoes and sunglasses.

The most expensive gift on the list was one consisting of four evening bags valued at \$3,102 that Barbara Bush was given by designer Judith Leiber of New York City.

Presidential spokesman Marlin Fitzwater said Bush gives many of the gifts to his grandchildren and family friends but keeps many others for use at the White House, the presidential retreat in Camp David, Md., and Bush's vacation home in Kennebunkport, Maine.

Under federal law, personal gifts to the President from foreign governments or officials cannot be kept unless they are worth less than \$180; otherwise they must be turned over to the State Department. Personal gifts from non-foreign sources, however, can be kept no matter how expensive.

The financial disclosure form also reported that Bush's blind trust was



President Bush
Discloses \$26,839 in gifts

worth \$1,275,000 at the end of 1989, up from \$998,000 the year before. The trust produced \$208,000 in ordinary taxable income, \$9,000 in tax-exempt income and a \$36,000 capital gain.

The form also listed the value of his Kennebunkport home at \$892,000 and a lot he owns in Houston at \$81,000, based on local property-tax statements that underestimate the market values.

Unceasing wonder

Sid Taylor of the National Taxpayers Union is one of the more indefatigable scolds in town — and one of the few people who seems to be truly worried about the national debt and the government's what-me-worry deficit financing. His motto is something like "Do not be gentle when you fret; rage, rage against the tripling of the debt."

Even a trip to Atlantic City didn't get Sid's guard down: He visited the Trump Taj Mahal casino — modestly billed as the Eighth Wonder of the World — and was inspired to announce the Ninth Wonder of the World right here in D.C.: the U.S. Treasury. Sid dubs it "the biggest gambling casino in the world" and points out: "With a \$3 trillion national DEBT plus federal budget DEFICITS in the \$150 billion-a-year category, we lose more money to our customers than any other gambling casino on Planet Earth."

The "customers" are Treasury bond buyers, and the casino's losses are paid by the taxpayers. While the Trump Taj Mahal needs \$1 million a day to break even, Sid figures that, what with interest on the national debt and the budget deficits, the Treasury Casino needs to take in about \$1 billion a day.

Rehabilitated

A bit red-faced, the Simon Wiesenthal Center said yesterday it inadvertently invited Frederic Malek to be vice chairman of an event that will commemorate the Holocaust. Mr. Malek, now president of Northwest Airlines, resigned from the Bush presidential campaign in September 1988 after admitting he drew up a list of Jewish officials in the Bureau of Labor Statistics in 1971.

He has since told numerous Jewish groups that he is not anti-Semitic and that he acted under intense pressure from then-President Nixon, who thought a "Jewish cabal" was trying to undercut his rec-

INSIDE THE BELTWAY

ord on the economy.

"The New York office of the Simon Wiesenthal Center contacted every major American corporation, soliciting participation by their chairman-president" at the regional dinner June 6, said Rhonda Barad, the center's Eastern regional director. She said Mr. Malek would not have been invited if the office had realized who he was.

But Mr. Malek accepted, and his name appears on invitations to the \$500-a-plate dinner honoring journalists who covered the Holocaust.



Homer Simpson cannot count the NRC among his legion of fans.

Why, you little . . .

As if the Nuclear Regulatory Commission doesn't have troubles enough with radiation leaks and save-the-Earth protesters, one of the power plants it supervises has a

Homer Simpson fan club. Homer, as any discriminating couch potato knows, is the blustering, babbitty, boneheaded dad of "The Simpsons," the cartoon show that gives new and sinister meaning to the term nuclear family.

Homer is a nuclear plant worker, and he has what the Associated Press reports as a solid core of support (a little nuke humor there) at the San Onofre Nuclear Generating Station on the California coast near San Diego.

"Homer is my hero," said engineer Al Meichler. "He could work here."

"In the protected area, there's about five guys in there just like him," said maintenance machinist Pat Daugherty.

"Homer sounds like a candidate for upper management," said Richard Rice, a foreman.

And as living proof of that, management spokesman Dave Barron of Southern California Edison said huffily: "The people we hire are pretty high-quality in terms of intellectual ability. Homer Simpson couldn't get a job anywhere near here."

Group du jour

Public Advocate, the conservative guerrilla-theater group, has found another restaurant to rally outside this evening: Herb's, at 1615 Rhode Island Ave. NW. A benefit dinner is being held there for the Cincinnati Contemporary Arts Center, which landed in the legal soup by showing Robert Mapplethorpe's blue snapshots.

An ad hoc project of Public Advocate calling itself Pornographers Against Helms plans to stage an X-rated "Rally to Thank Mapple-

thorpe Directors" at 6 p.m. Presumably speaking tongue in cheek PAH founder Bill Kintner, 29, said yesterday: "We believe strongly in tax-funded artistic expression and want to publicly thank all taxpayer and the nation for funding the pornography we have created." He promised that "several pornographers will present actual tax-funded art samples" at the rally.

The title of the rally derives from the expected presence in Herb's of six art gallery directors who have shown or plan to show Mapplethorpe oeuvre. The title of the rally group derives from Sen. Jesse Helms, the North Carolina Republican who is leading the charge against taxpayer funding of smut through the National Endowment for the Arts.

Gifts of state

President and Barbara Bush's blind trust increased in value by \$277,000 last year, to \$1.275 million according to financial disclosures filed yesterday. That's a 27 percent growth, not bad by any investor's standard.

The Bushes also listed their home in Kennebunkport and a lot in Houston where they plan to buy a retirement house. The properties are listed at the assessed valuation of \$81,000 for the lot and \$892,000 for the magnificent Walker Point property, which Maine real estate specialists say has a likely market value of about \$3 million.

Among gifts Mr. Bush reported keeping during 1989 were a box of glass Christmas ornaments from Soviet President Mikhail Gorbachev, neckties and a watch from the Aga Khan, and baseball cards from the great Stan Musial.

Vice President Dan Quayle listed gifts of two hunting knives worth \$2,750 from Gilbert Hibben of Louisville, Ky., two pairs of cowboy boots worth \$1,200 from Rocky Carroll of Houston and golf gear worth \$1,271 from David Hueber Ben Hogan Co.

— David Braat

5-16-90

Bushes Got \$26,800 in Personal Gifts in '89

Quayles Also Benefited From Admirers, Annual Report Says

Associated Press

President and Barbara Bush received at least \$26,839 worth of personal gifts last year, from three small tins of caviar to a \$995 pair of cowboy boots, the White House said yesterday.

Among the gifts: a box of glass Christmas ornaments and tinsel from Soviet President Mikhail Gorbachev.

Vice President and Marilyn Quayle received \$23,014 in presents, including a pair of hunting knives worth \$2,750 and an inaugural medal and charm valued at \$3,595.

The gifts were listed on disclosure forms that top government executives are required to fill out each year.

The most expensive Bush gifts were four evening bags valued at \$3,102 that Barbara Bush received from a New York designer, Judith Leiber.

The president's gifts included a \$288 set of baseball cards from Hall of Famer Stan Musial and Edward Stack of Cooperstown, N.Y.

The "three small tins of caviar" came from Herbert S. Hoffman of Boston and were valued at \$255. Bill Humble of Little Rock, Ark., gave Bush 22 neckties worth \$396.

The disclosure form said Bush's blind trust grew in value in 1989 to \$1.28 million from \$998,000. It said the president's home in Kennebunkport, Maine, is worth \$892,000 and a lot in Houston worth \$81,000. The Bushes have \$34,000 in various bank accounts, \$32,500 in retirement accounts, and life insurance policies with a cash value of \$39,000.



THE WASHINGTON POST

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■ A sweatshirt, jogging shoes and tennis shoes from tennis player Bjorn Bjorg: \$150.

■ A pair of "We the People" cufflinks from retired chief justice Warren Burger, as well as 25 books about the Constitution for the Bush grandchildren: \$245.

■ A \$995 pair of cowboy boots from Houston bootmaker Rocky Carroll.

■ A \$75 shawl for Barbara Bush from the Gorbachevs, in addition to the \$125 worth of children's books and Christmas ornaments.

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Quayle, scion of an Indiana publishing family, listed assets ranging from at least \$691,004 to \$1,045,000 or more. His tax return, released last month, showed interest and dividend income of \$16,430, primarily from stock holdings in Central Newspapers Inc.

POOL REPORT

May 15, 1990

Photo Opp with Bush and the Budget Summit

First news first: There were cookies and coffee on the table, surely a sign of kinder and gentler negotiations ahead for the budget snarl. Bush was flanked by Speaker Foley and Senate Majority Leader Mitchell when the writers wave was ushered in. With the room full of pols, there was much small talk going on.

Pooler Bierbauer asked Bush if he was going to open the meeting with a statement of some kind. "Now, Charles, this is a photo opportunity and I don't take questions," Bush said for the umpteenth time. Much laughter around the room. Big deal. End of this substantive discussion.

Pooler Mashek told Rep. Dan Rostenkowski, chairman of the (powerful, of course) Ways and Means Committee, that there was an answer to drought stricken areas around the country. Bring Bush out to play golf, because it will rain for sure. Rep. Bill Archer (R-Tex) said he would pass it along to the powers that be.

That's it for the start of these wonderful negotiations.

Mashek Boston Globe

Pool Report of Photo Opp with President Ben Ali of Tunisia

May 15, 1990

With the first big summit meeting on the budget less than four hours way, Bush was in a playful mood. When the pool came in, he was already laughing and saying "I'm not going to say anything."

President Ali seemed to be a little overwhelmed by the whole process but he was a gamer and watched as Bush proceeded to rattle off the same words in French or at least what passed for French. He turned to Ali and said "they don't understand it."

In fact we did understand. It was another Zippo photo opp and we were escorted out of the Oval Office. Brent Scowcroft appeared to the only aide sitting in on the session with Ali.

Mashek, Boston Globe

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Lawmakers See Hopeful Sign In Agreement To Return U.S. Remains

Lawmakers are optimistic that North Korea's decision to return the remains of five U.S. soldiers killed in the Korean War will lead to better relations between the U.S. and the Communist nation.

"This is a humanitarian gesture at this time, and we hope we can get into other areas at a later date," Rep. "Sonny" Montgomery said Monday....

"I am very hopeful that this will be the first brick, if you will, in improving the relationship which will mean literally hundreds of remains," said Rep. McCloskey. (Donna Cassata, AP)

SOUTH KOREA REARRESTS DISSIDENT

SEOUL -- South Korean police authorities announced Monday that a leading dissident who won the Robert F. Kennedy human rights award has been arrested as part of a crackdown on anti-government protests.

The arrest of Kim Keun Tae appeared to mark a worsening of South Korea's human rights record.

(Peter Maass, Washington Post, A14)

CHINA CANCELS U.S. DEAL FOR MODERNIZING F-8 JETS

China has told the U.S. that it is pulling out of a \$550 million arms deal that has been the linchpin of efforts at military cooperation between the two countries over the last decade, the Pentagon confirmed Monday....

Under the mammoth arms program, known as Peace Pearl, Grumman Corp....has been working with the Chinese air force to modernize China's F-8 jet fighters....

"The People's Republic of China has decided not to proceed beyond the development phase of the F-8 avionics modernization program at this time," a Pentagon spokesman, Lt. Cmdr. Edward Lundquist, said in response to queries from The Los Angeles Times. "...This was terminated by the Chinese. They made the decision [that] they didn't want to proceed with the production phase."

U.S. officials declined to say what reason China had given, and the Chinese Embassy in Washington would not comment. But sources in the U.S. defense industry and Washington's diplomatic community said that China has been concerned for some time about the prospect of burgeoning costs on Peace Pearl.

(Jim Mann, Los Angeles Times, A1)

EAST GERMAN DEFENSE CHIEF: WARSAW PACT SEEMS TO BE BREAKING UP

EAST BERLIN -- East Germany's defense and disarmament minister says the future of the disintegrating Soviet-led Warsaw Pact could be decided at a meeting of the alliance next month.

"It now appears as though the Warsaw Pact is in the process of dissolving itself," said the minister, Rainer Eppelmann. "Whether it has a military-political future depends on the meeting of the disarmament and defense ministers on June 7."

He did not specify where the meeting will be held.

(Kevin Costello, AP)

**KOHL OPEN TO EARLIER JOINT VOTE
Shift Follows Defeat In 2 State Elections**

BONN -- Chancellor Kohl Monday once again stepped up the pace of German unification, saying for the first time that he is open to holding all-German elections late this year.

Kohl backed away from his long-held insistence that the first combined East and West German elections not be held until sometime in late 1991. Kohl's remarks came one day after his ruling CDU suffered a narrow but symbolic defeat in local elections Sunday.

"It is absolutely clear that the question of German unity is now ripe for decision," Kohl said at a news conference. "Everybody who understands anything about international developments advises me, 'Act soon.'"

(Marc Fisher, Washington Post, A12)

MEETING OF U.S., ALBANIAN OFFICIALS REPORTED

A State Department official met with an Albanian diplomat at the U.N. recently to discuss ways of improving relations between the two countries, the department said Monday. It was the first official contact between the two nations in 50 years.

Department spokeswoman Tutwiler said the meeting took place about two weeks ago....

Tutwiler did not name the U.S. official at the U.N. meeting, but other department sources identified him as Curtis Kamman, a deputy assistant secretary for European affairs and the department's ranking East European expert. The sources did not specify when further contacts might take place.

(John Goshko, Washington Post, A18)

NORTH KOREA TO RETURN REMAINS OF FIVE U.S. SERVICEMEN

North Korea announced Monday that it will return the remains of five American servicemen to U.S. authorities later this month, the first Korean War remains to be returned since 1954.

U.S. officials welcomed the offer as "a positive step" toward eventual normal diplomatic ties between the authoritarian government of Kim Il Sung and the governments of the U.S. and South Korea. But the officials quickly added that the U.S....has no immediate plans to upgrade diplomatic relations.

(Bill McAllister, Washington Post, A14)

THE WHITE HOUSE
Office of the Press Secretary

Bridget Montagne
West Wing

PRESS F
MARLIN R

May 15, 1990

The Briefing Room

12:00 P.M. EDT

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1:00 P.M. EDT

#202-05/15

THE WHITE HOUSE
Office of the Press Secretary

PRESS BRIEFING
BY
MARLIN FITZWATER

May 15, 1990

The Briefing Room

12:00 P.M. EDT

MR. FITZWATER: Let's get started. We do have about six or seven things to discuss. So let's go through them in order here, and get it all out of the way.

First of all, the President's financial disclosure forms, which you have been handed. I have here the rules, and rather than go through every item -- this really won't take very long. But let me just remind you all of the basic rules, which are that -- which are governed by the Foreign Gifts and Decorations Act -- applies equally across the federal government, including members of Congress.

Basically, these apply to gifts that are received from a foreign government or agents of a foreign government, as well as domestically. But let me just say, first of all, that as we start through this, under this law, gifts of more than \$180 from foreign governments or foreign agents may only be accepted on behalf of the United States government. And any over that become government property and do not appear on this form, but are reported annually to the State Department. Gifts of \$180 or less may be accepted personally, and these do appear on this form. Similarly, domestic gifts may be accepted in any amount as long as they are reported on this form. If they're under \$100, they do not have to be.

Q Any amount?

MR. FITZWATER: Yes.

So with that brief summary of the rules, let me just go through this. Page 1 would be financial disclosure report as you see it here. And that says only the date and name and so forth. If we turn to the second page, which would be assets and income, this shows basically that there are exhibits attached. And you can turn quickly to the next page, which is exhibit A. Exhibit A says page 3 in the upper right-hand corner. And essentially, all that points out is that the President's blind trust is valued at \$1.275 million. It is a qualified trust. And on that he reported taxable income of \$208,000. And that, of course, was a part of his income tax form that we went over here sometime ago. Similarly, the \$9,000 tax-exempt income and the capital gain of \$36,000 were all detailed for you in that tax submission to the IRS.

So let's turn on to exhibit B. It says page 4 in the upper right-hand corner. Property not held in a qualified blind trust. This is all fairly explanatory. But just to race through it, he owns the residential lot in Houston, valued at \$81,000; the residence at Kennebunkport assessed valuation of \$892,000. Then cash accounts, and four of those -- you'll see those listed there -- \$8,000, \$1,000, \$12,000 and \$11,000.

Q Why does he have noninterest-bearing checking accounts? Why would anybody do that?

MORE

#202-05/15

MR. FITZWATER: I do. Doesn't everybody. How else do you write checks?

Q Noninterest-bearing?

MR. FITZWATER: You must have a lot of money. People with \$500,000 in their checking account could ask these kinds of questions. A guy that's got \$50 bucks knows damn well you empty it out every two weeks and you start over again. (Laughter)

Q We're not talking about a guy with 50 bucks.

MR. FITZWATER: I don't have money in there long enough to get interest in 10 years. (Laughter)

Q Marlin, we're not talking about 50 bucks. We're talking about a guy who's got \$12,000 in one account and \$11,000 in the other.

Q Tell him to put it in an S&L.

MR. FITZWATER: That's right. This guy's going to -- I don't know.

Individual retirement account, \$30,000 -- and another one at \$2,500.

Exhibit B, page 5. If you want to turn the next page. Two life insurance policies -- \$13,000 and \$26,000. The \$26,000 is the deferred compensation that you'll recall we discussed at some length on his tax form as well. Miscellaneous sources of income -- the first was interest through a state of reporting his father's oil and gas royalty of less than \$1,000. Actual amount \$542 of income. And royalties from the book, Looking Foward -- that shows not applicable because the money was donated to the M.D. Anderson Cancer Center of Houston and the United Negro College Fund.

Turning on to page -- let's go two pages on, to page 7. We list gifts, reimbursements and travel expenses. The next several pages all list gifts. Let me just take the first two as good examples.

The first one is from Aga Khan. And although he is -- would be considered a foreign resident, he is not -- he has given this gift as a personal friend of the President's, not as an official of the government, or as an agent. And therefore, it is allowed to be kept on that basis -- the two neckties and one watch. There is one other one in here that is in that category, and that is a gift from the second page -- page 8 --

Q I just want to know about the mirror and a hat box.

MR. FITZWATER: Francesco Cossiga of Rome -- a sterling silver box, which also is a personal gift.

Q What about the Gorbachev Christmas ornaments on page 9? Were those a personal Christmas gift?

MR. FITZWATER: The rest are all -- No, they're not personal, but they're either below the limit, or they're -- if they're domestic, they're above the limit, but keepable if they're reported.

Q What is it in the column that says "s"?

MR. FITZWATER: I don't think we need to go through every one of these. If they're any you want to ask about.

Q Will you repeat what the domestic -- there is no

limit on a domestic gift at all if it's reported?

MR. FITZWATER: There's no cap on the value on gifts as long as they're reported.

Q How about the \$800 cup and saucer, Marlin?

MR. FITZWATER: Let me just explain that the President gives away a lot of these gifts. You'll see one, for example, the 25 caps. He gives those out to friends. Some of them he gives -- Mickey Mouse and Minnie Mouse statues, he gives to his grandchildren. So that's a source of a lot of --

Q Some to the Marlin Fitzwater tennis tournament.

MR. FITZWATER: And some to -- the give Marlin Fitzwater annual invitational tennis tournament.

Q Marlin, What are the ones that he has to pay for if he wants to keep? The ones that are over \$180?

MR. FITZWATER: Yes. There would be -- any that are over the \$180 that he would turn in to the government. There is a process by which those are auctioned off or which they can be purchased.

I'll be honest with you. I've pressed the State Department for 25 years and have never been able to discover how in the world you do that. But supposedly, there is a process for doing it.

Q Does this then show which ones he has bought and kept, if any?

MR. FITZWATER: It does not show ones that he just turned in to the State Department.

Q You mean these are all things that he has kept?

MR. FITZWATER: These are all things that he has kept.

Q So if it's valued over \$180, we can assume that he paid?

MR. FITZWATER: If it's valued over \$180, you can assume -- and it's not on this list -- you can assume that he's given it to the government. The State Department has it.

Q But if it's valued over \$180 and it is on this list, then he paid for it, or what?

MR. FITZWATER: No. If it's over \$180 and it's on this list, it means it's either a domestically-given gift or -- that's it. Or it's a personal gift. Or it's a personal gift ruled not to be a federal -- from a foreign government or foreign agent. That's the case of the Aga Khan gift.

Q Where does he put all this stuff?

MR. FITZWATER: He's got some of it at Kennebunkport, some here.

Q What does the "s" mean? The column that has the --

MR. FITZWATER: Those are the gifts that go go to Mrs. Bush, spouse.

Let's just see if there's any others that jump out at us as we flip through the pages here.

Q How many baseball cards did he get from Stan Musial? And what were they?

MR. FITZWATER: I don't know.

I don't think there are any others in here that are not pretty self-explanatory.

Q Marlin, two gifts in here to Millie. Does she have her own disclosure, or are these all --

MR. FITZWATER: We disclose Millie's gifts for her on a voluntary basis. (Laughter.)

Q That's not marked with an "s"?

MR. FITZWATER: What?

Q Except for the gifts she gave to --

MR. FITZWATER: That's right. Let's move on.

Q Are all these friends of President? These aren't just unsolicited things that --

MR. FITZWATER: Some of them are. Some of these are people who just sent him in -- cowboy boots and things like that.

Q Marlin, the President reports an interest in the IRAs. Are there any other retirement or pension plans in which he has a reportable interest?

MR. FITZWATER: Not outside the blind trust. I don't know about in the blind trust.

Q Do you have a figure for the blind trust for last year? Is this the same as it was?

MR. FITZWATER: For last year? No, it's an increase over last year. I do have that. Do you have it handy, Steve? I know I've got it here, but -- here it is. Looking at last year's form, \$998,000, right? Yes. Last year the blind trust was valued at \$998,000. And the amount of income on the trust was \$156,000. Does that take care of you, Terry?

Q What is it? \$998,000?

MR. FITZWATER: Yes. Last year -- \$998,000.

Q Now it's up to \$1.2 million?

MR. FITZWATER: Now it's up to \$1.275 million..

Q So that's -- when you say the \$156,000, is that the ordinary taxable income, or is that everything?

MR. FITZWATER: Last year it just had -- it said he didn't differentiate. I don't know why. I can show it to you if you want to take a look at it.

Is there anything else on this form to take care of here?

Q No.

Q This is the deadline, isn't it?

MR. FITZWATER: May 15, yes.

Q Who elses can we have from the White House?

MR. FITZWATER: All the other top officials of the administration are available. The process is -- I better

double-check this. If they want mine, where do they get it?

MR. HART: I think it's through the Office of Government Ethics.

MR. FITZWATER: No. Go check that on the phone so I can do that before we end the briefing. Because there is a way to do that, and I know that you've all requested those in the past. There's a form that we take care of down here and submit it and all that stuff.

Q Marlin, you can tell us the gift that you like the best.

MR. FITZWATER: The gift I like the best?

Q Yes, on your form.

MR. FITZWATER: On my form?

Q Yes.

MR. FITZWATER: I don't get many gifts.

Q Ahhh. (Laughter.)

Q Cigars?

Q That and the checking account -- it's the story of dispair, Marlin. (Laughter.)

Q Did Quayle bring you a doll?

MR. FITZWATER: I got a lacquer box from Grobachev. That's my favorite gift. Which I can't keep because of the value, but I can keep it on display in the White House, so it's in my office. But you can look at it any time you like.

Q You can buy it.

MR. FITZWATER: That's right. I've inquired about this buying concept for years and they never tell you how to do it.

Q Just take it, take it. (Laughter.) They won't know.

Q We won't tell.

MR. FITZWATER: All right. Let's go on here. Quickly, several items. First of all, industrial production fell .4 percent in April after increasing .5 percent in March. Today's data on industrial production and capacity utilization suggests that the sluggish conditions in the industrial sector are persisting. Not particularly good news.

This morning at 9:30 a.m. the President received the report of the President's Commission on Aviation Security and Terrorism. It was presented by Commission Chairman Ann McLaughlin and members, Senators Lautenberg and D'Amato, Representatives Oberstar and Hammerschmidt, Former Secretary of the Navy Hidalgo and Retired Air Force General Richards.

Chairman McLaughlin reviewed the charge given the Commission. She discussed the conclusions briefly. And the President is meeting with the Pan Am 103 families at 11:45 a.m. I think that's probably over now.

The Commission met with the families to discuss the report with them and the recommendations. The President met with them briefly. And the Commission will hold a press conference at

2:00 p.m. this afternoon at the National Press Club to discuss the recommendations.

The President's only response this morning was basically to thank the Commission. We feel they've done an excellent job. It is a very serious report and very substantial recommendations. The President said we'll take it and get right to work on the problems. But we won't try to go into the details until we've had a chance to review it and you've seen it as well.

Q Just one thing on that report. One of the main recommendations -- they say the nation needs what they called a more aggressive policy on attacking terrorism, and they recommended preemptive strikes and more aggressive retaliation. Does the President feel that the policy currently is not aggressive enough?

MR. FITZWATER: We agree that we can have a more aggressive policy, but we don't want to comment on how. The specific recommendations are something we have to consider. But we certainly agree that we need to be as aggressive as necessary to fight terrorism. And this report is very concrete in terms of telling us exactly the kinds of changes they think need to be made in transportation, FAA, airport security, airline operations and so forth. And much of it can be done administratively, and I think you'll see us implementing a good deal of this report.

Q Marlin, when you say more aggressive, do you mean just administratively or do you mean also militarily? Do you include that in there?

MR. FITZWATER: I mean administratively. I don't know anything about the military aspects of it.

Q Well, that was the question.

Q Can you tell us anything about his meeting with the families. I mean, what was the purpose of it, what did he say to them?

MR. FITZWATER: I don't have any specific readout, which occurred just before I came in here. But the purpose was, first of all, for the Commission to present the report to the families. The families have been rightfully concerned from the beginning about the investigation and about the conclusions that have been reached about this crash. And this was a chance for the Commission to meet with them privately. Also the President to stress again, as I did here, that we intend to use this report to follow up on its recommendations and to make changes. But I would leave it to the families to characterize what happened in the meeting.

Q Do you know how many people were there or is there a list or anything like that?

MR. FITZWATER: No. As I say, the Commission will have a press conference at 2:00 p.m., and I'm sure they'll be glad to go into all that.

Q Marlin, the Commission emphasizes they weren't asked to find out or report on who did this to Pan Am 103 -- it's a separate investigation. Can you tell us the status of that and what expectation for success?

MR. FITZWATER: The status of the other investigation you mean?

Q Right.

MR. FITZWATER: The exact status, of course -- I mean it's not completed yet -- but in terms of how close are they to being completed, I don't know that. But they are continuing that

investigation. We obviously are very concerned and trying to help in any way we can. Our intelligence and investigative authorities are all participating. But I can't give you the date on which it's going to be completed.

Q I thought David asked you about the chance that we might take military action and that you answered that you agree we can have a more aggressive policy.

MR. FITZWATER: David never mentioned the word military that I heard. Did you?

Q Preemptive.

Q Preemptive.

Q Well, the Commission report recommended preemptive strikes against terrorist bases and retaliatory strikes.

MR. FITZWATER: That's why I said I couldn't comment on it. We haven't had a chance to review that or formulate an opinion.

Q What about the recommendation of covert --

MR. FITZWATER: I was talking about the overall approach and the overall conclusions that we need to be more aggressive on counterterrorism. But I did not mean to comment on any specific recommendation including that one.

Q Then what's the President's position on that recommendation, Marlin?

MR. FITZWATER: We'll have to study it and take a look at it. We don't have a position on any of them.

Q What about the recommendation for covert operations where military strikes are not feasible?

MR. FITZWATER: The same stands for all of them, Patrick. We are not willing to respond at this point on any specific recommendation.

Q Marlin, does the President have a general view on the value or the wisdom of preemptive military strikes aside from this report?

MR. FITZWATER: I'm not going to comment on that until we've had a chance to consider it.

Q Marlin, this seems to be an echo of what the White House position was in the Reagan administration at the time of the seizure of the TWA plane. At that time the White House was saying and briefing us that it made much more sense to try and zero in on terrorist cells with preemptive or punitive strikes once we found out who either the potential culprits might be or actual culprits. That was a publicly announced position at the time. Operationally, we never seemed to have done it. But in policy terms, that was enunciated at the time, and that's why I think some of us would like to know whether that's still basically U.S. position. If we know who these guys are, either before or after, that we're not going to be reluctant to go after them.

MR. FITZWATER: Well, I'll have to look into that for you, Leo, because I don't want to venture an answer right now that would be construed in the context of this report because we have not had a chance to look at it.

Q Marlin, one of the phases of this report is a suggestion that the TNA machines, which were presented as sort of the magic bullet which was going to save us from terrorism, are not.

What is the administration going to do in response to that and is there any thought in slowing down the imposition of these machines?

MR. FITZWATER: Well, that's another one of those questions we'll just have to wait on. The Commission is presenting its report this afternoon. Ask me that question tomorrow, and we'll talk about it.

Q Marlin, is the President satisfied that 18 months after this plane was destroyed there's no final answer on who did it?

MR. FITZWATER: It's being investigated and looked into, and the President wants those investigations to continue. And that's why he appointed this commission.

Q Is it unreasonable to expect an answer this soon?

MR. FITZWATER: We expect an answer when it's ready and when the investigation has been thorough. What we expect is a good, thorough investigation.

Moving right along. The United States deeply regrets the current violence in Kashmir. We call on all sides to take steps to restore calm and security and to allow political dialogue to address the problems of Kashmir. This problem has vexed India-Pakistani relations since 1947. We have long favored a political resolution of all aspects of the Kashmir dilemma through peaceful negotiations. Both India and Pakistan must determine the future of Kashmir peacefully. We hope that these two democratic governments, both friends of ours, will work together to reduce tensions.

In view of this deteriorating situation, the President, as a reflection of his deep concern, is sending Robert Gates a Deputy National Security Adviser, as his special envoy to India and Pakistan on May 19-21. The purpose of his visit is to deliver presidential messages to the leaders of both countries and to gain a firsthand appreciation of the situation from both governments, which he will convey to the President upon his return. Mr. Gates will be accompanied by Assistant Secretary of State for -- Ambassador John Kelly and by a Senior Director for the Near East and South Asia, Richard Haass. By way of explanation, Bob Gates is with Secretary Baker in Moscow now for the ministerial. And he will go to the region following that visit next weekend.

Q Did they ask for help?

MR. FITZWATER: I don't think they asked for any special help. But the President has sent a number of messages to leaders of both countries. He has been in contact with their governments through diplomatic channels. And the President simply indicated he would like Mr. Gates to go there and examine the situation.

Q Is there some indication this is going to flare up until into a wholesale war here or --

MR. FITZWATER: That certainly is a good --

Q They've been yelling and screaming and threatening that for quite sometime. Do you have some new information or indication that this is imminent?

MR. FITZWATER: I don't have any information that you don't have. You've seen the television pictures of the increasing conflict. There are more human rights violations and open warfare going on there now. Most of you have carried reports on this in the last several days. So the situation is not one that everyone isn't aware of, but it's one that is getting worse and one we would like to see get better.

Q But, Marlin, as you point out, it has been going on

since 1947 with sporadic eruptions. I don't recall us getting involved in this fashion before. Why now?

MR. FITZWATER: As I say, the President has been involved for a number of months in terms of talking with India and Pakistan about the situation. But the problem is getting worse. You have documented this better than me. Take a --

Q How exactly has he been involved in this? He's been talking to Bhutto and whoever the Indian is --

MR. FITZWATER: Yes, both. He has sent messages by several channels to both Bhutto and the President of Pakistan over the last several months.

Q And what's been the response? Did he in any way solicit or welcome U.S. participation in this?

MR. FITZWATER: Yes. Of course, both of these countries are friends of ours. We do work with them on a number of issues. They are certainly willing to have the United States provide any influence and benefit that it can in this debate. And you're right, it's been going on a long time. And it probably won't be resolved quickly.

Q Have we offered to mediate it? Or the U.N.?

MR. FITZWATER: Not a direct mediation role, I don't think, no.

Q Marlin, this is a pretty high-powered team for him suddenly to send in there. Has the President received some indication from his conversations with both governments that there would be a chance that these officials could, by shuttle diplomacy or whatever, bring about some resolution or at least a change in the situation?

MR. FITZWATER: I say that we have had any number of discussions that have indicated it could be helpful both to us and to them. In the first place, the President would like to have Bob go there to talk to the parties to get a better assessment of what might be done. Secondly, I think they have indicated a willingness to talk to us about that. But I don't know that I can attribute this to any new course of policy. I don't want to raise expectations to the point that you think there's some new change going on. But rather, again, it is a trouble spot in the world; it is flaring up. And it's one in which the President would like to help resolve if we can.

Do you have anything you want to add to that, Roman? Is there anything I'm not aware of? I don't think there is.

Q Mrs. Bhutto's position has been precarious, to say the least, for some time. Is there a fear that this could precipitate an overthrow?

MR. FITZWATER: No.

Q Marlin, the Pakistanis have been, obviously, working with us very closely on support for the Afghans. Is there concern that if open war breaks out between India and Pakistan that that may make it impossible for the Pakistanis to continue that support by diverting their resources?

MR. FITZWATER: Open war that breaks out would have a tendency to weaken all the countries involved. And certainly would not be helpful to the process in Afghanistan either.

Let's move along We are pleased to announce today -- whoops, this just in from Steven Hart. There is a form from the General Counsel's office that must be filed to obtain financial

disclosure forms of White House employees. We will get these forms for you. And you should contact any member of our lower press office staff, hopefully this afternoon; if not, by tomorrow morning. And we'll fill those out and process them for you so you can have access to any of the senior officials documents.

We are pleased to announce today that George Washington University Smith Center has been selected as the international press center for the upcoming state visit of President Mikhail Gorbachev to the United States. The White House looks forward to working with George Washington University over the coming weeks in making preparations for hosting the large number of media expected in Washington to cover the state visit. We expect to officially open the international press center on Wednesday, May 30th.

With us today is Loretta Hardge, Director of Communications for G.W. And Loretta is stage left. And I'm sure she'd be glad to stay and answer any questions.

Q Why was this chosen?

MR. FITZWATER: And this was chosen because of the outstanding facilities at G. W., its proximity to the White House and to other urban amenities for the large international press corps. For the --

Q Where's it located?

MR. FITZWATER: -- academic environment that it brings to this conference.

Q Are you shutting down the press office?

MR. FITZWATER: For the outstanding people there who --

Q What is the address?

Q So you couldn't work out with Marriott?

Q Are you going to shut your operation down here so we can --

MR. FITZWATER: We will shut our operation down here and we'll operate everything out of the George Washington Center, just as we did last year.

Q What is the address?

MR. FITZWATER: Smith Center. Pardon?

Q The address?

MR. FITZWATER: The address of the Smith Center is -- Loretta, help me.

MS. HARDGE: There will a news release coming around with all that in it.

Q What's that address, though?

MR. FITZWATER: Twenty-second and G.

Q Are you paying for this?

MR. FITZWATER: Remuneration will be as appropriate and as negotiated, yes. The short answer is, yes.

Q So they didn't donate it?

Q As part of curiosity but also logistics. As I

recall, you wanted to use Smith Center last time and couldn't. What does it offer us that the Marriott didn't?

MR. FITZWATER: The Smith Center we liked last year, again, because of its proximity, the spaciousness of its facilities, the surrounding urban restaurants and all that. What do you want to know?

Q I withdraw the question.

Q He wanted to know why you switched?

MR. FITZWATER: Why we switched?

Q Yes.

MR. FITZWATER: Because we've always thought this was the best; and last year they didn't want us, this year they did.

Q Why do they want you now?

Q Marlin, what about the schedule for the summit?

MR. FITZWATER: I'm glad you asked.

Q How about that.

Q Yea.

Q I think it was going to come anyway.

MR. FITZWATER: Let me read you an overview summary of just a couple of paragraphs, and then we'll try to give you as many specifics as possible.

At the invitation of President Bush, Soviet President Mikhail Gorbachev will pay a state visit to the United States from May 30th through June 4, 1990.

Q Ahhh.

MR. FITZWATER: President Gorbachev will arrive the evening of May 30, and hold formal talks with President Bush at the White House on May 31 and June 1. President and Mrs. Bush will host a state dinner for President and Mrs. Gorbachev the evening of May 31. President and Mrs. Gorbachev will host a return dinner for President and Mrs. Bush at the Soviet Embassy on June 1.

On June 2, the two presidents will hold additional informal discussions at Camp David. President Gorbachev will depart Washington the morning of June 3 and will travel to other U.S. cities before returning to the Soviet Union.

Now, to be more specific. President Gorbachev is expected to arrive at approximately 6:30 p.m. on Wednesday, May 30th. I will not be able to provide information on his private activities here or much of his official schedule. The Soviet Embassy will announce that as it's available. But I cannot tell you, for example, where he is staying or any of his private movements in the city.

Q Well, it's been offered -- Blair House?

Q He's not staying at Blair House?

MR. FITZWATER: No, he is staying at another location, but I don't know where.

On 31 May, which is Thursday, at 10:00 a.m., we will have an official arrival ceremony at the White House, just like the other state ceremonies. In fact, just like the one we had this morning for

President Ben Ali. From 10:30 a.m. to 12:00 noon there will be the first meeting with President Bush in the Oval Office. And Mrs. Bush and Mrs. Gorbachev will also meet in the White House, in the private quarters.

Q Will there be any coverage of the wives' meeting?

MR. FITZWATER: I'm not prepared to discuss coverage at this time. We just have received the schedule, and we'll have to go through it and arrange for coverage later.

Q And there's no contact on the 30th, right?

MR. FITZWATER: No. We are now at noon on May 31st. From noon on May 31st until 4:00 p.m. is private time for President Gorbachev and his activities. From 4:00 p.m. to 5:30 p.m. we will have the second meeting between the two presidents here in the White House. Then at 7:00 p.m. there will be a state dinner hosted by President Bush.

On Friday, June 1st, the early morning hours again are open to private activities of the President Gorbachev. And the third meeting with President Bush will begin at approximately 11:00 a.m. and lasting until 1:00 p.m.

Q Where?

MR. FITZWATER: Here in the White House.

The afternoon, again, is open and will be available to President Gorbachev for private activities. And he will have the concluding meeting with President Bush in the Oval Office at 5:00 p.m. that evening lasting for approximately an hour. At 6:00 p.m. we will have a signing ceremony for Soviet-U.S. documents.

Q -- to be determined later?

MR. FITZWATER: I expect there to be a number of those. And at 7:30 p.m. there will be an official dinner hosted by President and Mrs. Gorbachev at their Embassy which is the standard return dinner.

Q Where's the news conference?

MR. FITZWATER: On Saturday, June 2, at approximately 9:30 a.m. in the morning, President Bush will depart by helicopter for Camp David. President Gorbachev will also go to Camp David. I'm not able to confirm -- oh, he is going -- he will go with President Bush by chopper.

Q Hmmm.

Q He will?

MR. FITZWATER: That's our understanding at this point.

Q No boats?

Q I hope they've got good pilots.

MR. FITZWATER: That I don't know. They will both go by helicopter, 9:30 a.m., Saturday morning to Camp David.

Q Separate or same helicopters?

MR. FITZWATER: Don't know, don't know. They will have private discussions at Camp David during the day and return to Washington -- let's put it this way, President Gorbachev will return to Washington, to the city, Saturday evening at an unspecified time, likely late afternoon. And President Bush has not yet decided

whether he will return to Washington that evening or will remain at Camp David that night.

On Sunday morning, June 3, at 10:00 a.m., President Gorbachev and President Bush will hold a joint press conference here in the White House

Q At 10:00 a.m.?

MR. FITZWATER: At 10:00 a.m.

Q At the White House?

MR. FITZWATER: That press conference -- we will have a pool arrangement to make up the attendees. That will be held in the East Room and will be videotaped into the filing center in the Smith Center. At 11:00 a.m. there will be an official departure ceremony at the White House for President Gorbachev.

Q You think it's only going to be an hour?

MR. FITZWATER: At --

Q What time was that?

Q 11:00 a.m.

MR. FITZWATER: Eleven o'clock a.m. Official departure ceremony at the White House. At approximately 12:00 noon President Gorbachev will depart for Minneapolis, Minnesota. From there, he will go on to San Francisco, California and will overnight in that area. On Monday, June 4th, he will return to the Soviet Union. And I do not have his activities after he leaves Washington. So that will have to be announced by the Soviet Embassy.

Q Do you know if he'll see Reagan?

MR. FITZWATER: I don't know that. That's about it.
Yes, Jessica.?

Q Will Mrs. Bush and Mrs. Gorbachev go to Camp David as well, or as --

MR. FITZWATER: I don't have word on that yet. I talked to Anna Perez this morning. She is trying to firm up Mrs. Bush's schedule as much as possible and will announce that schedule as soon as she can. But we don't have any details at this point. You'll recall Mrs. Bush is giving the commencement address at Wellesley during this visit, and there is also a question of Camp David and so forth. So I'm hopeful that the First Lady's staff will be able to make an announcement as soon as possible, but it's not ready right now.

Q Marlin, President Gorbachev is arriving in the country on the 30th, or he's arriving here in Washington on the 30th? The question being -- there have been previous reports about an invitation to a commencement speech?

MR. FITZWATER: To our knowledge, he's arriving in the country and in Washington, Wednesday evening May 30th at 6:30 p.m. If there are other plans, I don't know. But it's our understanding that he's coming directly here.

Q No earlier events?

MR. FITZWATER: I don't know of any. No.

Q Have you figured out how the time and meetings is going to be divided between one on one and group sessions?

MR. FITZWATER: No. It hasn't been.

Q What was the question?

MR. FITZWATER: He's asked about the amount of time that'll be allotted to one on one versus a plenary session that would include foreign ministries and so forth. And as I said that has not been worked out yet.

Q What are your plans for Camp David? Are you going to stay at the Smith Center, essentially, or is there any press operation going to be up there?

MR. FITZWATER: The Camp David part of it is the most unknown in terms of how we'll actually do it. We don't have any idea at this point who will be there with the President in terms of staff and other officials, nor do I know about briefings. It's my assumption a few basic things that we would operate entirely out of the Smith Center and not out of the White House, just as we did at the last summit here.

Secondly, that Maslennikov and I would brief jointly as has been done in past summits. But we don't have specific details on when that would be. I would hope that we could brief something like Thursday noon and Thursday evening, and Friday noon and Friday evening. And then Saturday, we go to Camp David and frankly, I just don't know how we'll work that out.

We might brief at the Smith Center Saturday night after returning from -- I suspect that's what we would do, is come back here and brief afterwards. There will not be any press coverage on Camp David.

Q Even arrival?

MR. FITZWATER: And since they're just there for one day, I don't think we would try to -- we might -- probably have to set up some kind of pool arrangement for stakeout responsibilities, but nothing very elaborate.

Q One logistical question on the press center as far as phone installation. Will you be putting something out on that, or do we have to deal through G.W. on that?

MR. FITZWATER: I don't know. John will have to talk to you -- all that later and --

MR. HERRICK: We'll put out a notice to the press about that.

MR. FITZWATER: John says he'll put out a notice to the press on all those logistical aspects of it. But, frankly, we have not resolved any of those questions yet.

Q Do you expect there to be any sort of a pool going to Camp David for the Saturday talks at all?

MR. FITZWATER: Well, I'm assuming there has to be some kind of pool. Yes. Not --

Q Would the pool members, for instance, be on the Camp David grounds, or would they go to Thurmont, or the other camp there?

MR. FITZWATER: My expectation is not on the grounds, but we might be at Round Meadows or Greentop, probably. What we'd probably do is set up some kind of press facility at Round Meadows and the pool can hold there.

Q Marlin, in the past the President has tried to show off something of interest in the area. Are there any plans underway

to take Gorbachev to the Smithsonian or an Orioles game or anything like that?

MR. FITZWATER: No plans to go anywhere else.

Q A logistical question. I assume you're going to assign seats in the briefing room, please.

MR. FITZWATER: Well, first we've got to determine the pools. The most likely makeup would be 3 pools --

Q No, no, not the pools.

Q In the briefing room like you did in '87.

MR. FITZWATER: In the briefing room?

Q Yes.

Q Assigned seats. Please.

MR. FITZWATER: Well, we'll have to think about it. That's what we did before?

Q Yes.

MR. FITZWATER: It worked pretty well, so I'll take your suggestion.

Q What about Baker and Scheverdnadze? Will they go to Camp David?

MR. FITZWATER: I assume they will, but I don't really know that for sure.

Q Was President Gorbachev offered to spend the night at Camp David? Did he ask for the extra day and did -- I mean, say that he'd like to spend another day in the United States? And did he pick the places that he went, or were they suggestions from the White House, or --

MR. FITZWATER: Well this was all a product of --

Q -- that he's going to, I mean.

MR. FITZWATER: Yes. This was all a product of discussions back and forth. I would say generally that there was agreement early on, on the business meetings aspects of it being in the White House because it's the most manageable. We offered several suggestions for private activities in a day or two following. And without going into what all those were and responses and so forth, suffice to say that this is what was agreed to.

They also indicated about a week ago that they wanted to travel to other cities around the country, but it was not clear really until yesterday, last evening and this morning exactly when they intended to go to Minnesota and California.

Q Are we glad they are -- he is extending his trip?

MR. FITZWATER: We're delighted if they're delighted.
(Laughter.)

Q When you say you'll be closing down the operation, you mean no access to this press facility at all for those who work here, and we'll have to work over at G.W.?

MR. FITZWATER: Well, what we did last time and I would hope to do again, would be that this door would be closed, there would be no access to the White House. Obviously, I think this is

left open for people who need to come here to work. But we would run all pools out of the Smith Center, all my staff would be in the Smith Center. We would not answer telephones here, so there would be no work here.

Q Except Sunday.

Q Credentialling and arrangements for the Gorbachev travel around the country, will the White House be handling that at all?

MR. FITZWATER: I don't believe so.

Q Will there be a charter, do you know?

MR. FITZWATER: I have no idea. Those are all -- the Soviets are handling all of that portion of the trip and so we are not involved in any of that.

Q This will be open on Sunday, won't it?

Q If they're handling all of that, who's paying the tremendous security cost of that?

MR. FITZWATER: Well, we'll have to work out those matters with them. Generally speaking, it's all part of the state visit. But they are assuming the costs for that part of the trip after it leaves Washington. Now, whether there are security aspects of that, I don't know. I can't break that down. But they are assuming most of the costs. I think we have security obligations, but --

Q You mean he has to pay for the Secret Service, the uniformed --

MR. FITZWATER: No, I don't mean that, and I don't know what John means, either. That's why I can't give a definition. We handle all the standard stuff.

Q Marlin, how are you describing the Saturday talks at Camp David? I mean, you referred to the business meetings being at the White House. Are those going to be negotiating sessions, substantive talks, or are those going to be social, informal? Is there an assumption that the business will be done before they get to Camp David?

Q Will it be feet-up, Marlin?

MR. FITZWATER: Yes, they'll be feet-up in the President Bush definition of that term. And it'll be informal and relaxed as the Camp David location obviously dictates. And they will have substantive discussions, I'm certain, in which there are any number of political issues to be discussed.

I think the plan is that generally speaking, the first two days will deal with probably all five baskets of issues, but certainly with an emphasis on the arms control and the agreements that we would expect to sign with them in the areas of economy and environment and cultural and scientific and so forth, so that many of those can be dealt with in the working sense.

I think during that time they probably also will talk about bilateral issues and transnational matters, but I think it's fair to expect the Camp David time will be spent more in terms of taking a look at the changes in Eastern Europe, the changes in the Soviet Union, the President's interest in NATO and its goals, many of the larger political issues that both of these leaders face and want to discuss in a private setting.

Q Do you think things have warmed up any from the

tough love attitude that you expressed the last time we talked about this?

MR. FITZWATER: I think the situation is much the same. That we have a lot of difficult issues to discuss with the Soviets. Arms control issues certainly remain difficult, and we hope to make as much progress as we can. There are any number of geopolitical matters to talk about that are difficult -- Lithuania, certainly; the situation in all the Baltics. So I think this summit will demonstrate a new sense of realism about our relationship, one in which both sides can be critical of each other. Both sides can raise troublesome and difficult issues and expect to explore them in depth and to do so without rancor or arguments in any serious way.

So I think it should be a good summit and the first one that truly lives up to a billing of a working agenda in which they can really roll up their sleeves and tackle a lot of different issues.

Q Does the United States intend to sign a trade agreement at the summit?

MR. FITZWATER: I can't predict that at this moment. We have been working on one, but I don't know whether we'll have one ready to sign or not.

Q Are you saying it's up in the air at this point?

MR. FITZWATER: No, I'm just saying I don't have a decision for you.

Q Marlin, your ambassador over there said that he had worked out all the points to his satisfaction and that one was ready. Is it ready?

MR. FITZWATER: I hope he's right, but I'm not willing to tell you it's ready 'til it's ready. When the fat lady sings, we'll sign that agreement.

Q Is it not ready for political reasons or not ready because you haven't reached the deal that your ambassador said he'd reached?

MR. FITZWATER: We wouldn't be able to finalize any kind of agreement until the two Presidents meet.

Q Wait a minute, wait a minute. That doesn't make any sense. You wouldn't be able to finalize -- you know whether the presidents are going to sign an agreement when they get together.

MR. FITZWATER: Maybe, but I'm not going to tell you.
(Laughter.)

Q All right. There you go. Thank you.

Q What about the arms agreement? What about the arms?

MR. FITZWATER: Got to keep a little mystery in this marriage.

Q Do we support the Soviet Union getting observer status at GATT in a vote on Wednesday?

MR. FITZWATER: President Bush supported that in his 17-point proposal at Malta. One of them was that the Soviet Union be allowed observer status in the GATT as a means of learning and studying how the free enterprise system works and how the international economy operates. And so, yes, we would be supportive of that.

Q Do you expect that to happen this week?

MR. FITZWATER: I don't have a timetable. I don't think there's been any agreement yet, but it is under consideration in the GATT, yes.

Q How about an arms agreement? Where do we stand on that?

MR. FITZWATER: Well, Secretary Baker is in the Soviet Union now. He is discussing in some detail arms control issues, with a view towards making as much progress as possible. I think that by the time of the summit we'll be able to enunciate certain areas of agreement. But how specific, how detailed, extensive, we just can't say at this point.

Q Agreement on arms?

MR. FITZWATER: Some kind of agreement on arms, yes. It may not be a formal document that says agreements, but there will be something that says this is what we agree on.

Q Have you heard anything from Baker yet about how the talks are going so far?

MR. FITZWATER: I haven't. He left at 11:00 p.m. last night. I have not heard.

Q Two points. Can you at this point tell us that there are any agreements that will be ready to be signed?

MR. FITZWATER: I can tell you that there will be agreements signed.

Q But you don't have any specifically that you can say will be ready?

MR. FITZWATER: Not that I'm willing to say, no.

Q Are there any that are completed, whether you're willing to divulge which ones they are or not?

MR. FITZWATER: There are some that are very close.

Q Second point. Has this always been a formal state visit, or was that elevated?

MR. FITZWATER: It's always been a state visit, yes. Yes, I don't think there's any question about that.

Q On the trade agreement, could the President consider signing it if there is not a new Soviet emigration law?

MR. FITZWATER: Well, the prerequisites and so forth have not changed and that's always been one of the prerequisites.

Q There isn't a law yet, correct?

MR. FITZWATER: Well, we'll just have to see where we stand when -- at the time of the summit.

Q You also said before that there would be agreements signed and you mentioned including some on the economy. What did you have in mind when you said that?

MR. FITZWATER: I'm not willing to go into those, but again, I would look to the President's proposals in Malta as the best indication. But I can't detail anything for you now.

Q I thought nothing else could be signed until you had

this trade agreement -- things like investment --

MR. FITZWATER: Well, there's a lot of things that could be signed.

Q Can you provide any more detail on the origins or reason for the Minnesota and California trips again? Can you tell us when the schedule will be available?

MR. FITZWATER: I don't have any information on that at all. I can't tell you where they're going, who they're meeting with, or why. We just don't have it.

Q It wasn't because of the lakes and the bay.

Q Do we know yet whether the Russians or whether the United States will provide charters or anything like that for that part of --

MR. FITZWATER: No idea.

Q Do you assume the Russians will probably do that?

MR. FITZWATER: Well, it would be up to them. We would not, no.

Q Marlin, I talked to the Soviet Embassy yesterday and they seemed to think the White House was going to handle the credentialing arrangements for -- Gorbachev. Is that possible that that's right?

MR. FITZWATER: For the part around the country?

Q For Minnesota and California.

MR. FITZWATER: I'm not aware of that. Have you had any contacts with them at all? No.

Q He'll leave from California --

MR. FITZWATER: We've had no indication of that.

Q -- back to Moscow from California? San Francisco?

MR. FITZWATER: Yes.

Q One more question on that point, Marlin. Would you suggest that we contact the Soviet Embassy to get an answer to that question?

MR. FITZWATER: Well, I promised Boris this morning I wouldn't do this to him. But --

Q Well, why don't you do it for all of us?

Q He'll take his phone off the hook anyway, it doesn't matter. (Laughter.)

Q Why don't you have him come here and give us a briefing?

MR. FITZWATER: Let me put it this way: We have talked to the Soviet Embassy and they advised us that they will keep you informed and will let you know as soon as they have details on procedures and so forth, how this will work. And they are quite aware of your needs and problems, and I'm sure they will account for those. And I will gladly raise those issues on your behalf.

Q Budget summit. Will you allow a photo op at the top and will you give a readout after the 90-minute meeting?

MR. FITZWATER: We'll have a photo op. And I don't know yet about readout.

Q Will the President have anything to say at the top of the photo op?

MR. FITZWATER: No.

Q Any response on Mrs. Chamorro's letter requesting a \$40 million bridge loan?

MR. FITZWATER: No response yet.

Q What's the administration's inclination? Do you feel you should still wait for Congress before responding or putting that kind of a loan --

MR. FITZWATER: We are looking into possibilities of doing something along the line she requests. We share her concern for the delays in the congressional process. I refer you to my comments yesterday, and I think there are some indications from Speaker Foley that he is working on this matter today. But if we can't get something pretty quickly, we are taking a look to see if there are some kind of loans or something that can help her out in the short term.

I think the point here is that we feel America has an obligation, and I find it hard to believe people can look at Panama or Nicaragua in view of the history of this country's involvement and support in both those areas and not say that we don't have some obligations to the Nicaraguan and Panamanian people.

Q Would you require that if there was such a bridge loan, that part of the money be specified for the Contras who are running out of food by the end of the week?

MR. FITZWATER: Well, those are details we haven't gone into.

Q Will the President have proposals to make this afternoon, and is he going to invite proposals? What is the format for the meeting?

MR. FITZWATER: The format for the meeting is that it will be in the Cabinet Room. It will be packed, as you know, from the large number of members that are on the total negotiating teams. President Bush will have opening remarks in which he will discuss again the need to get the deficit down, the need to deal with government spending, and the general objectives that I've outlined for you here before.

And then, basically, it will be open to discussion by all the participants. And we'll just have to see what each of them say.

Q But, Marlin, he will invite proposals rather than make them, is that correct?

MR. FITZWATER: He will discuss the overall objectives and framework and, in the course of the discussions, we'll make proposals, they'll make proposals -- everybody will.

Q Today?

Q But his opening statement is not going to include proposals, or is it?

MR. FITZWATER: No, he does not make any proposals in his opening statement, no.

Q So this isn't going to be feet-up then?

MR. FITZWATER: This is feet on the floor and hands on the table.

Q I gather that in the subsequent meetings they're going to try to split up into task forces or working groups, or some such, that will meet separately.

MR. FITZWATER: Right.

Q Do you have a sense at this point about how many of these groups there are going to be and what their different charters are going to be?

MR. FITZWATER: No. It will be up to the group to decide what the charters will be, what specific issues they divide up to consider. How many there will be, that's impossible to say, too. We may have a better feel for that after today, but we don't right now.

Also, I tended to lower expectations a little bit more yesterday than I might have on the timetable. I think everybody does hope that it goes a little faster than I led you to believe yesterday.

Q How much -- are you talking a month? Six weeks?

MR. FITZWATER: Well, what they are all going to say when they emerge from the meeting is as soon as possible.

Q What else will they --

MR. FITZWATER: And I would not guide you away from Frank's general area of thinking.

Q Is that your expectation, or that's the White House?

MR. FITZWATER: We don't want to say what our expectation is, but --

Q What was your guidance?

Q This was what?

MR. FITZWATER: Frank's a wise man.

Q Marlin, going back to one question on the summit. I know you said Mrs. Bush is scheduled -- the First Lady's schedule is not available, but you point out that Mrs. Bush is going to Wellesley on June 1st. Is Raisa going with her?

MR. FITZWATER: I just can't say. We'll have to wait for the First Lady's Office to discuss that.

Q Marlin, the Chinese are pulling out of a large arms deal known as Peace Pearl, the one announced in 1986 --

Q No filing.

Q Do you know why they are pulling out, and can you tell us how the President feels about that? This is apparently an arrangement -- this had been exempted from his earlier order on arms sales.

MR. FITZWATER: This is a project that they have with Grumman and they have notified Grumman and the government that they are pulling out of it, but do not specify why. We don't know what the reasons are.

Q How does this affect U.S.-Chinese relations?

MR. FITZWATER: Well, it doesn't really have much effect. This was a purchase they made on military equipment, they're pulling out of it, but it doesn't really change our relations at all.

Q -- the budget meeting, he said the President will talk about the need to get the budget deficit down, the general objectives. Will he tell them that allowing Gramm-Rudman to kick in this year is not a realistic alternative?

MR. FITZWATER: He'll talk again about -- well, let me repeat some of the things I've said in the past so they're part of the record for you to report. That the President is concerned about the baseline on the deficit increasing from \$100 billion to \$120 billion after these first two quarters of economic activity. He will discuss the votes on the Hill and the House and Senate bills and their ability to come up with a budget that is supportive or that solves the problem. He will discuss the implications of a \$55 billion to \$100 billion deficit in terms of sequester next October and the kinds of hardship that that would put on the economy and on government services.

So those issues will, of course, all be laid out. The President will also talk about what he sees as the parameters of these discussions in terms of continuing economic growth, in terms of the need for process reform, and the other issues that we've talked about before.

Q Marlin, you suggested yesterday you weren't going to be in the meeting. Have you been invited? Will we get a readout from you after today's meeting?

MR. FITZWATER: I will be in the meeting, but I don't know about a readout. That remains to be seen.

Q Marlin, did you say he would discuss the parameters of growth?

MR. FITZWATER: No, I said he would talk -- what did I say?

Q Parameters of discussion.

MR. FITZWATER: Parameters of discussion, yes. I refer you to the transcript. Whatever I said was right.

Q Does that mean something will be off limits?

MR. FITZWATER: No preconditions. No preconditions. No preconditions.

Q Marlin, isn't it the administration's position that any increase in taxes would of course retard economic growth in --

MR. FITZWATER: I don't want to prejudge this in any way, Mick. We have no preconditions, and we'll talk openly about whatever is put on the table.

Q Marlin, there are several parts of this -- you want a multiyear agreement on cutting the deficit, but you also want budget process reform. Does the administration want one of those issues to be dealt with before the other one?

MR. FITZWATER: I can't give you a priority of scheduling in that sense because I wouldn't want it to portray some requirements that aren't there. The fact is that these are all matters to be discussed, and we'll discuss all of them in whatever sequence they come up.

Q Is the President planning to meet with the President

of Hungary when he's here this week?

MR. FITZWATER: Hungary. Is that on the schedule? Not scheduled.

Q Have you received this letter from the Baltic leaders about recognition --

MR. FITZWATER: I don't believe we have. The answer is no.

Q Is there any reaction to Moscow's move against the Baltic States yesterday?

MR. FITZWATER: The State Department will have a formal reaction. I can read the guidance for you, but --

Q Marlin, do you have dates to announce for de Klerk and Mandela?

MR. FITZWATER: No. They're still being considered, and we don't have dates yet.

THE PRESS: Thank you.

END

1:00 P.M. EDT

#202-05/15

George Bush Presidential Library Transfer Sheet

COLLECTION:

Bush Presidential Records
Office of the President

ACCESSION NUMBER:

1993.0001

FOIA/SYSTEMATIC
PROCESSING CASE
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2009-0166-S

The following material was transferred to:

☐ Audiovisual Collection

☐ Book Collection

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☐ Other

Other (Specify):

DESCRIPTION:

White House Photographs: P12839-13A, P12841-27 [Ben Ali of Tunisia]; P12847-12 [Mtg. w/Pan Am 103]; P12822-07A [Joe Morgan]; P12851-11 [Joe Hyams, author]; P12860-16, P12856-18 [State Dinner for Ben Ali]

When transferring
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Map Case Location:**Series:**

Daily Files

Box Number:

48

Folder Title:

Tuesday, May 15, 1990

OA/ID Number:

90547-007

Transferred by:

Deborah Wheeler

Date of Transfer:

4/27/2010

Received by:

Mary Finch

Date Received:

4/27/2010

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George Bush Presidential Library Transfer Sheet

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The following material was transferred to:

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☐ **Museum Collection**

☐ **Other**

Other (Specify):

DESCRIPTION:

White House Photographs: P12861-25 [Harry Connick, Jr.]; P12861-26 [Harry Connick, Jr.s girlfriend];
P12846-02A [Gift - portrait]

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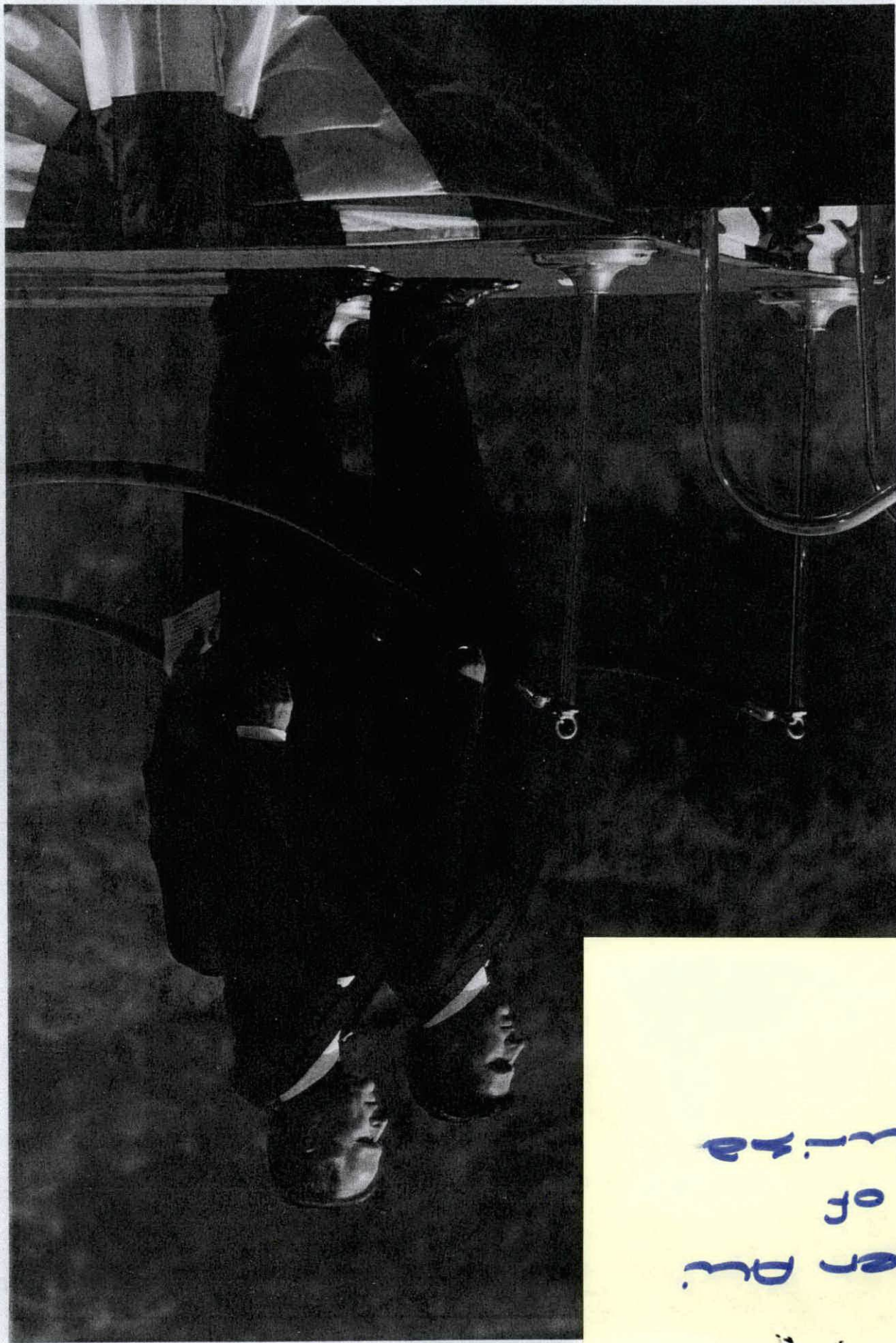
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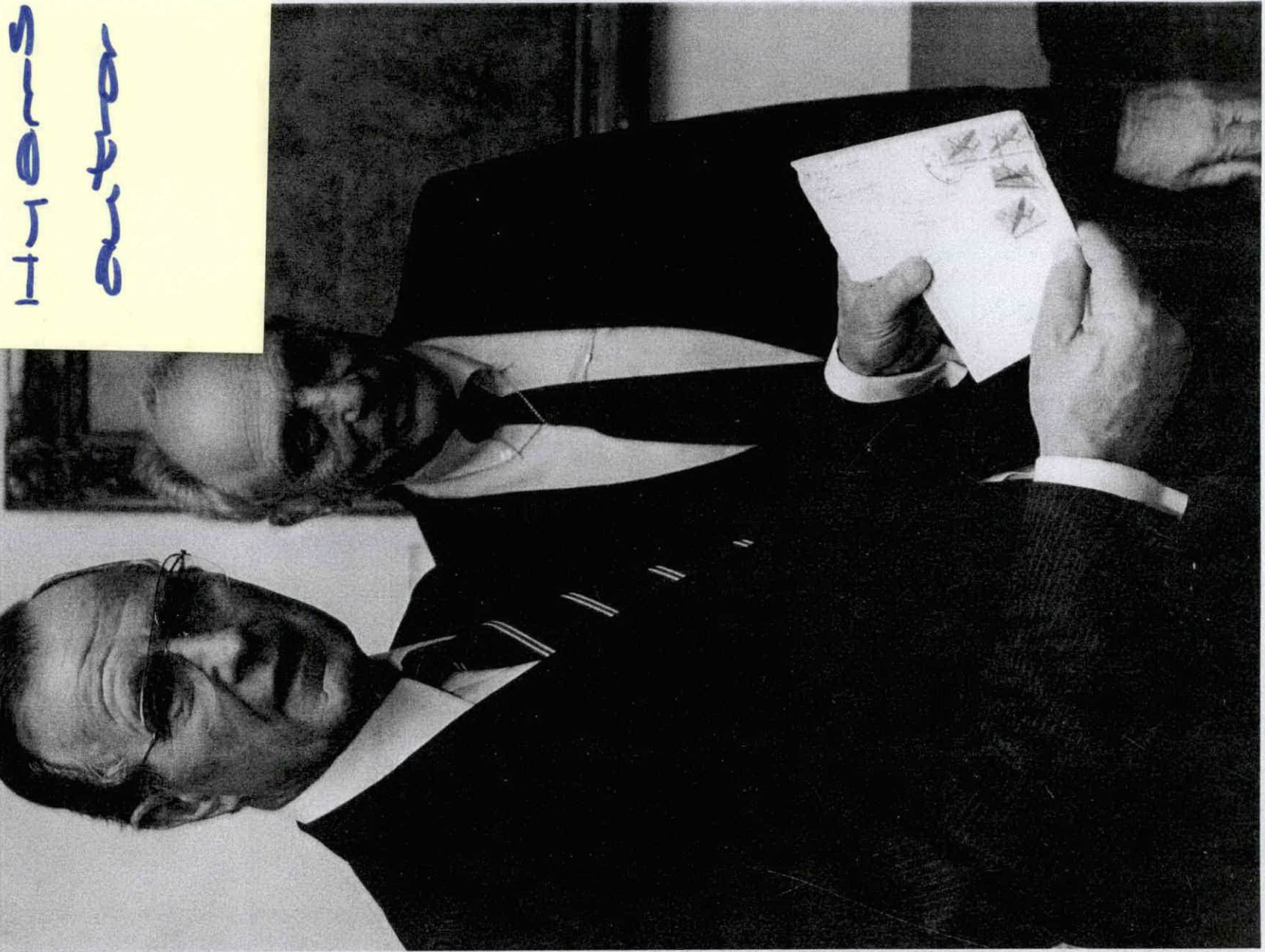
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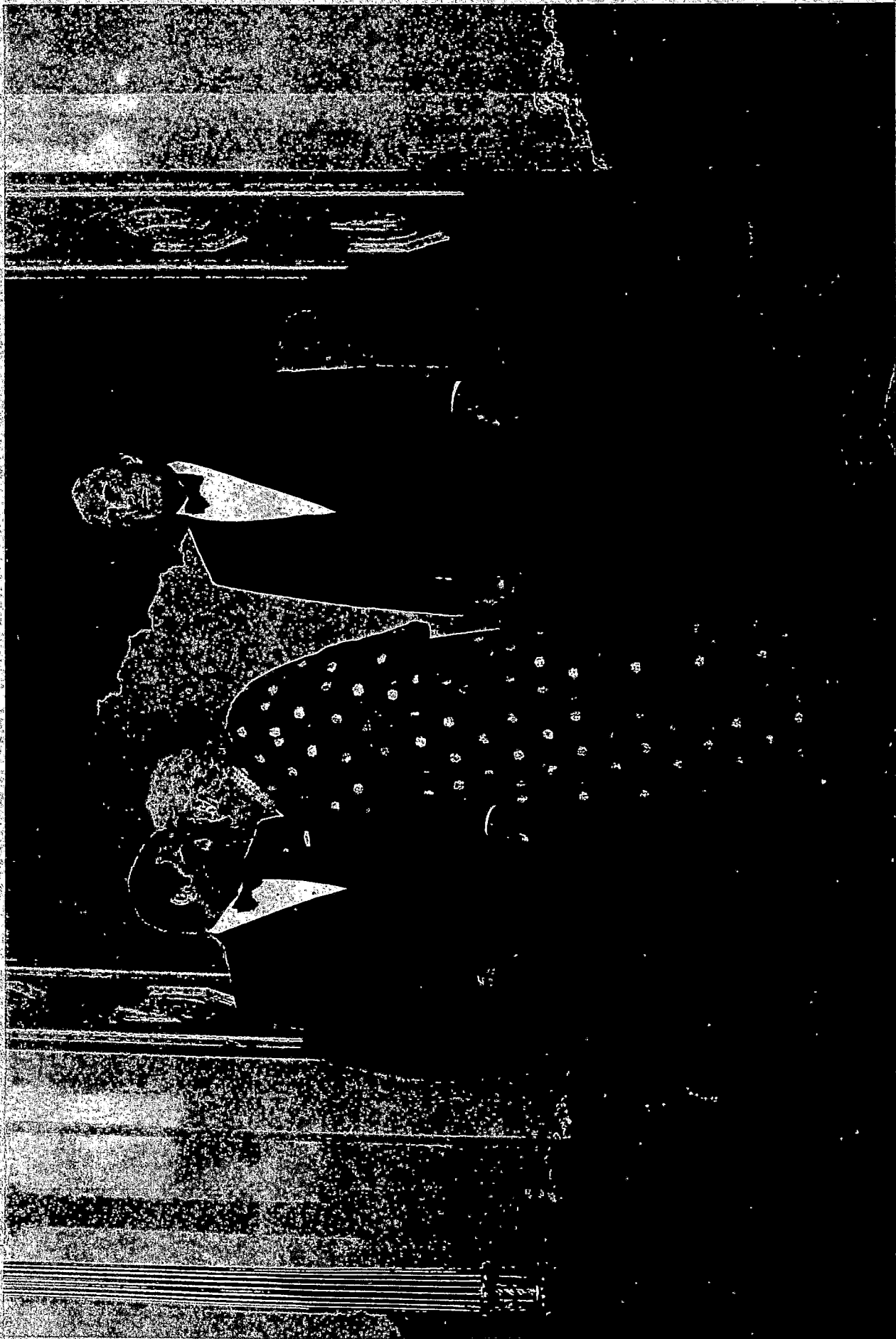
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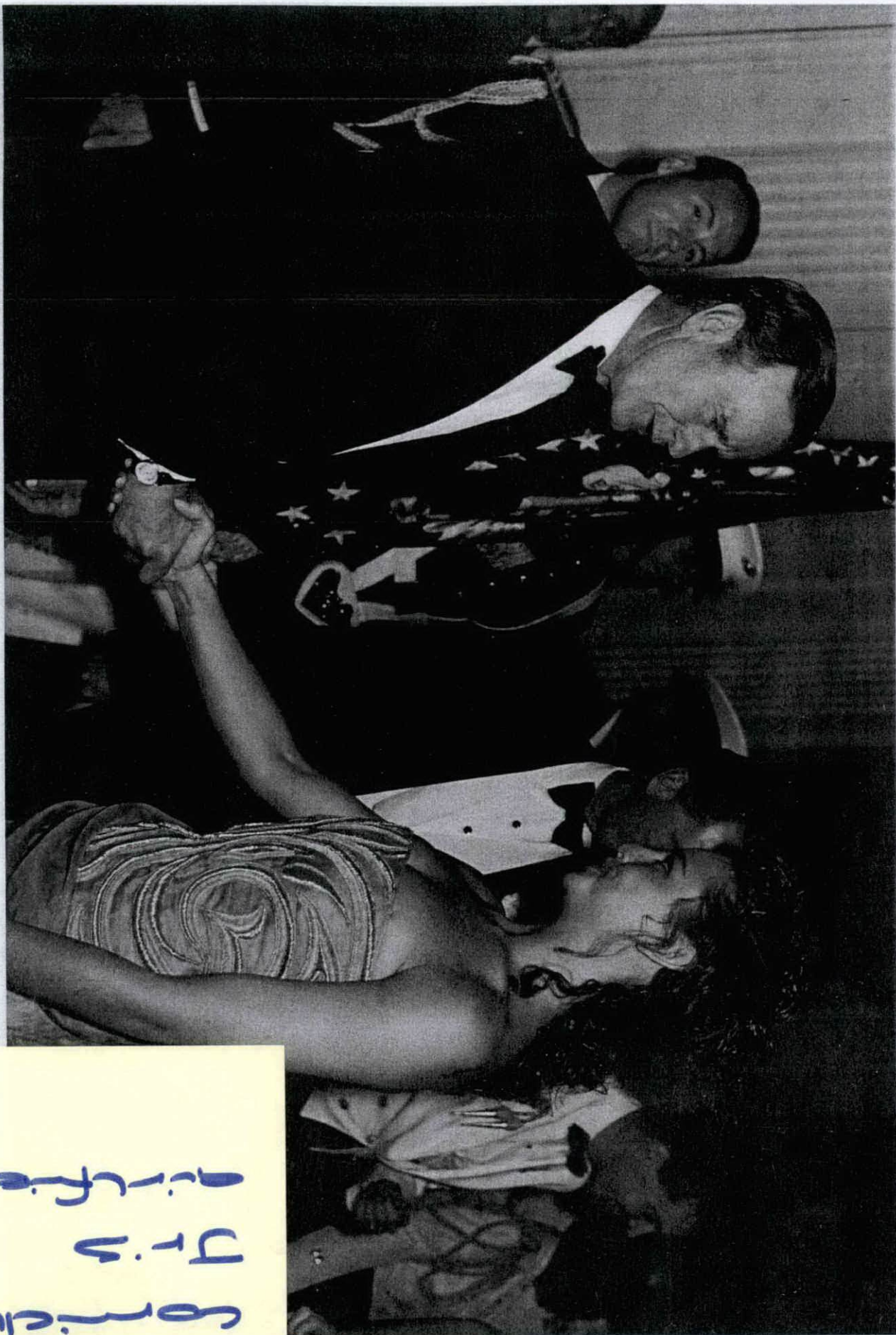
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Bush Presidential Library Photocopy

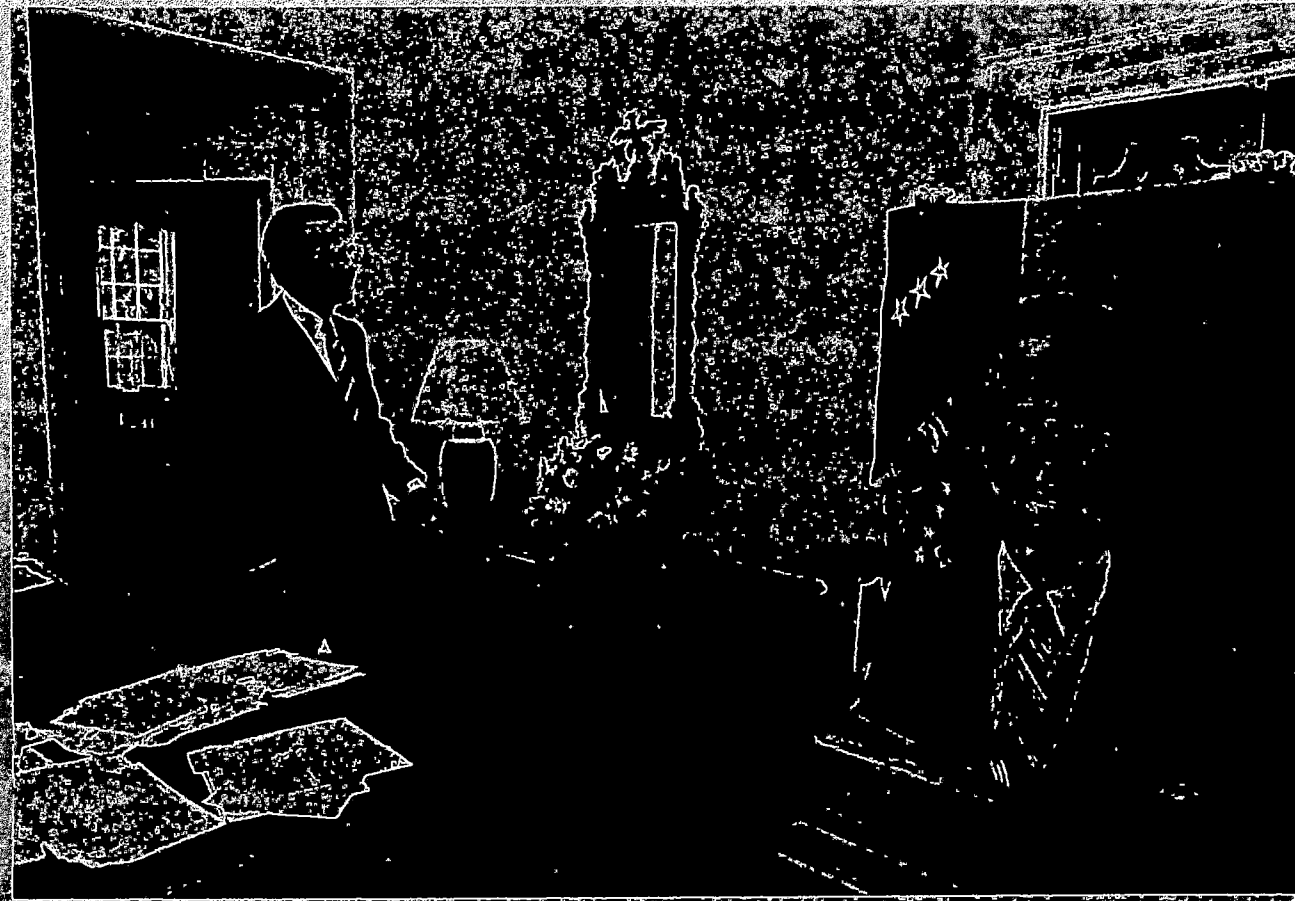
OPTICAL WHITE HOUSE PHOTOGRAPH 15 MAY 90 P012861 25 IN



Ham
Comic,
Jr's
girlfriend

Bush Presidential Library Photocopy

OFFICIAL WHITE HOUSE PHOTOGRAPH - 15 MAY 90 P12841 26 14



OFFICIAL WHITE HOUSE PHOTOGRAPH 15 MAY 90 P12846-02A CP

gift from i

THE WHITE HOUSE

WASHINGTON

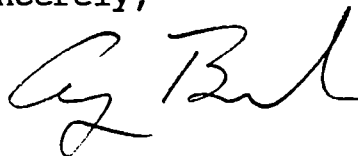
May 15, 1990

Dear Bart:

My sincere thanks for being Master of Ceremonies at the fine luncheon that was held during my brief visit to Birmingham. It was great to see you again.

Barbara joins me in sending our warm best wishes.

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Bush". The signature is fluid and cursive, with the first letter of the first name being a large, stylized "G".

Mr. Bart Starr
1025 South Moorland Road
Brookfield, Wisconsin 53005