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FOIA MARKER

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

OA/ID Number: 90573
Folder ID Number: 90573-003

Folder Title:
Wednesday, December 12, 1990

Stack:	Row:	Section:	Shelf:	Position:
V	12	12	4	4

Withdrawal/Redaction Sheet (George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Schedule	Schedule of the President [redaction] (1 pp.)	12/12/90	(b)(3)	
02. Log	White House Telephone Log [President Bush] [redaction of personal information] (2 pp.)	12/12/90	(b)(6)	
03. Note	From George Bush to Patty Re: CFC (1 pp.)	12/12/90	C	
04. Note	Handwritten notes of Presidential Phone call with JAB [James A. Baker, III] Re: JAB-Chase-Brent talk (1 pp.)	12/12/90	(b)(6)	
05. Note	From Dick Cheney to President Bush (2 pp.)	12/12/[90]	(b)(1)	
06. Notes	Handwritten notes of Meeting between U.S. and USSR (2 pp.)	n.d.	(b)(1)	
07a. Memo	From Brent Scowcroft to President Bush (3 pp.)	12/12/90	(b)(1)	S
07b. Talking Points	Points to be Made Meeting with Foreign Minister Eduard Shevardnadze (8 pp.)	n.d.	(b)(1)	S
07c. Report	Government Report (1 pp.)	12/05/90	(b)(1)	S
07d. Report	Government Report (1 pp.)	12/05/90	(b)(1)	S
07e. Report	Government Report [1st page only] (1 pp.)	n.d.	(b)(1)	S

Page 1 of 2

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 12, 1990

Pinksheet Number: dw1910

OA/ID Number: 90573-003

Date Closed: 2/25/2011

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
07f. Report	Government Report (2 pp.)	09/04/90	(b)(1)	S
07g. Report	Government Report (1 pp.)	12/05/90	(b)(1)	S
07h. Report	Government Report (1 pp.)	05/21/90	(b)(1)	S
07i. Report	Government Report (1 pp.)	05/16/90	(b)(1)	S
07j. Letter	From Mikhail Gorbachev to President Bush [unofficial translation] (3 pp.)	12/7/90	(b)(1)	
07k. Letter	From Mikhail Gorbachev to President Bush [Russian version] (3 pp.)	12/7/90	(b)(1)	
08a. Memo	From Brent Scowcroft to President Bush (2 pp.)	12/12/90	(b)(1)	S
08b. Talking Points	Points to be Made with unita Leader Jonas Savimbi (1 pp.)	n.d.	(b)(1)	S
08c. Talking Points	Points to be Made with unita Leader Jonas Savimbi (1 pp.)	n.d.	(b)(1)	S
08d. Report	Government Report (1 pp.)	09/21/90	(b)(1)	S
09a. Letter	From President Bush to Pam Ernest Re: friendship [redaction of personal information] (1 pp.)	12/12/90	(b)(6)	
09b. Note	From Bridget to Patty Re: Congressman Bill Young's daughter Pam Ernest [redaction of personal information] (1 pp.)	12/12/90	(b)(6)	

Page 2 of 2

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

PRML 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]
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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



SCHEDULE OF THE PRESIDENT

Wednesday, December 12, 1990

8:00 am (15 min)		<u>Intelligence Briefing</u> (Scowcroft/Sununu)	Oval Office
8:15 am (30 min)		<u>National Security Briefing</u> (Scowcroft/Sununu)	Oval Office
8:45 am (30 min)		<u>Meeting with Governor Sununu</u>	Oval Office
9:15 am (45 min)		<u>Administrative Time</u>	Oval Office
10:00 am (60 min)	OP/WP	<u>Cabinet Meeting</u> (Holiday) (TAB A)	Cabinet Room
11:00 am (10 min)	WIRES	<u>Photo Opportunities</u> (TAB B) 1. Presidents of National Con- ference of State Legislatures (Demarest) 2. Roger Whyte (Hagin)	Oval Office
11:10 am (20 min)		<u>Personal Staff Time</u>	Oval Office
11:30 am (20 min)	OP/WP B	<u>Hanukkah Celebration</u> (Demarest) (TAB C)	450 OEOB
11:55 am	OPEN	The President departs to Address Jobs for America's Graduates 1st Annual Governors Leadership Awards <u>Luncheon at the National Press Club</u> (Demarest) (TAB D)	South Lawn
1:00 pm		<u>Arrives White House</u>	South Lawn
1:00 pm (30 min)		<u>Lunch</u>	Oval Office
1:30 pm (30 min)		<u>Meeting with Secretary Baker</u>	Oval Office
2:00 pm (30 min)		<u>Personal Staff Time</u>	Oval Office

UNP 12/11/90
6:00 pm

2:30 pm (30 min)	<u>Administrative Time</u>	Oval Office
3:00 pm (60 min)	<u>Staff Time</u> SHEVARDNAZ E (Scowcroft) (Distributed Separately)	Oval Office
4:00 pm (30 min)	<u>Personal Staff Time</u>	Oval Office
4:30 pm (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
6:15 pm (10 min)	B <u>Photo with Social Aides and Official Christmas Photo (Firestone)</u>	East Room
6:45 pm	B <u>Christmas Party (Firestone)</u> (TAB E)	State Floor

0704 POTUS IN OVAL 0708 ADD GRAY
 0713 GRAY OUT 0801 ADD SUNUNU 0803 SUNUNU OUT
 0805 ADD SCOWCROFT, SUNUNU, DCI, (b)(3)
 0824 DCI, (b)(3) OUT 0825 ADD VP
 0904 SCOWCROFT OUT 0929 ALL OUT
 0941 ADD SUNUNU, DEMAREST 0945 ALL OUT
 0950 ADD SUNUNU 0959 ADD BAKER
 1003 POTUS TO CABINET ROOM
 1103 POTUS IN OVAL / ADD DEMAREST
 1105 NC SL ET AL IN 1110 ALL OUT
 1111 WHYTE ET AL IN 1115 ALL OUT
 1127 ADD JERRY & WEINTRAUB
 1128 POTUS TO 450 DEOB
 1206 POTUS IN OVAL
 1209 POTUS TO SOUTH GROUNDS (SEE SEPARATE SCHEDULE)

UNP 12/11/90
6:00 pm

Bush Presidential Library
Photocopy

1302 POTUS IN OVAL / ADD BAKER

1303 ADD SCOWCROFT 1311 ADD SUNUNU

1320 ADD PRINCE BANDAR 1353 ALL OUT

1446 ADD SCOWCROFT, SUNUNU

1457 SUNUNU OUT 1458 SCOWCROFT OUT

1500 ADD SCOWCROFT, FITZWATER, SUNUNU

1503 SHEVARNADZE ET AL IN (OVAL OFFICE MTG,
PARTICIPANTS)

1527 POTUS IN CABINET ROOM

1603 POTUS IN OVAL / ADD SHEVARNADZE, BAKER
SCOWCROFT, CICONNI
(2) INTERPRETERS

1605 POTUS TO ROSE GARDEN

1610 POTUS IN OVAL / ADD SCOWCROFT

1627 POTUS TO STATE FLOOR

1640 POTUS IN OVAL

1642 ADD SUNUNU, BENNETT

1702 BENNETT OUT 1705 ADD SCOWCROFT

1711 SCOWCROFT OUT 1740 SUNUNU OUT

1745 ADD SCOWCROFT 1756 SCOWCROFT OUT

1801 POTUS TO RESIDENCE

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THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 12

.1990

	TIME		DISC	NAME	ACTION
	PLACED				
OUT	8:34	AM		MRS. BARBARA BUSH RES; WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 542	CALL CA PER MRS. PATRICIA A. PRESOCK 8:35 A.M.
INC		PM			
OUT		AM			
INC		PM			
OUT	9:34	AM	9:42	SECRETARY JAMES A. BAKER III OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 420	TLKD-OK 9:35 A.M.
INC		PM			
OUT		AM			
INC		PM			
OUT		AM		SECRETARY JAMES A. BAKER III OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 420	TLKD-OK WITH MR. MICHAEL DANNENHAUER.
INC	12:17	PM			
OUT		AM			
INC		PM			
OUT		AM		MRS. BARBARA BUSH WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 530	TLKD-OK
INC	4:12	PM	4:13		
OUT		AM			
INC		PM			
OUT		AM		SECRETARY JAMES A. BAKER III WASHINGTON, D.C. 202-628-9425	TLKD-OK
INC	5:50	PM	5:52		
OUT		AM			
INC		PM			
OUT		AM		MR. ROGER AILES	SPOKE WITH MRS. PATRICIA A. PRESOCK
INC	6:56	PM		(b)(6)	8:31 P.M.

Bush Presidential Library Photocopy

THE WHITE HOUSE WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 12

1990

	TIME		NAME	ACTION
	PLACED	DIBC		
OUT	AM		MR. NEIL BUSH	PRESUS CA.
XMSC OUT	8:07 PM AM		(b)(6)	
INC		PM		
OUT		AM		
INC		PM		
OUT		AM		
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INC		PM		
OUT		AM		
INC		PM		

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 12 December 1990

TIME	MOVEMENTS
0701	South Grounds
0703	Oval Office
1004	Cabinet Room
1101	Oval Office
1134	Room 450, Old Executive Office Building
1207	Oval Office
1209	South Grounds
1210	Depart South Grounds via Motorcade
1212	Arrive Press Club
1257	Depart Press Club via Motorcade
1259	Arrive North Grounds
1300	Oval Office
1532	Cabinet Room
1604	Oval Office
1606	Rose Garden
1610	Oval Office
1628	South Grounds
1630	State Floor
1643	Oval Office
1807	Residence
1820	State Floor
1832	Residence
1849	State Floor
2004	Residence

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 12 December 1990

[illegible]



News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, DECEMBER 12, 1990
6:00 A.M. EST EDITION

INTERNATIONAL NEWS

Bush Tells Shamir Israel Won't Be Hurt By U.S. Efforts In Gulf Crisis -- After a meeting that emphasized their ties rather than their differences, Israel's prime minister...said Tuesday President Bush had assured him the U.S. would not try to settle the Persian Gulf crisis at the expense of Israel.

(Scripps Howard, Boston Globe, New York Times,
Washington Post, Washington Times)

Baker Says He Supports Soviet Plan For Nuclear-Free Zone In Mideast -- Dangling a carrot in front of Saddam Hussein, Secretary Baker gave qualified support Tuesday to a Soviet plan for diplomatic talks aimed at eliminating all nuclear and chemical weapons in the Middle East, including Israel's, if Iraq withdraws from Kuwait.

(Chicago Tribune, Washington Post)

NATIONAL NEWS

Bush Backs Move For Limiting Terms Of U.S. Lawmakers -- President Bush has decided to push for a constitutional amendment to limit the terms of members of Congress, his chief of staff, John Sununu said Tuesday.

(New York Times, Boston Globe, Washington Post)

NETWORK NEWS (Tuesday evening)

SHAMIR VISIT -- President Bush and Yitzhak Shamir ended their year-long estrangement Tuesday.

GULF -- Iraq added more troops in and around Kuwait this week, putting their total over 500,000.

SOVIET AID -- The White House may unveil a plan for food aid to the Soviet Union as early as today.

INTERNATIONAL NEWS...A-1

NATIONAL NEWS.....A-12

NETWORK NEWS.....B-1

INTERNATIONAL NEWS

SHAMIR CALLS BUSH TALKS REASSURING No Persian Gulf Deal At 'Expense of Israel'

Israeli Prime Minister Shamir met with President Bush for almost two hours Tuesday and said afterward he was reassured that the U.S. will not try to settle the Gulf crisis on terms harmful to Israel.

"I trust the President," Shamir told reporters. "He has said it several times, and he said it to me now again, that there will not be any deal at the expense of Israel."

U.S. and Israeli officials, who briefed reporters on the talks, gave the impression that Bush and Shamir had avoided detailed discussion on many issues that have caused friction in U.S.-Israeli relations and had confined themselves instead to a broad, general review of matters, such as opposition to Iraq's aggression, on which they agree.

In a step that could accelerate Israel's movement toward better relations with the Soviet Union, Shamir will also meet here with Soviet Foreign Minister Shevardnadze, U.S. and Israeli officials said....

Bush set the tone by telling Shamir on his arrival: "I want to give a warm welcome to the prime minister, and I'm delighted he is here."

Afterward, Shamir added: "I think there is a full convergence of view about the [Iraqi] problem. There are no differences at all."
(John Goshko, Washington Post, A29)

Bush Tells Shamir To Take A New Look At Palestinian Problem -- President Bush told Prime Minister Shamir Tuesday that once the Persian Gulf crisis is resolved, Israel must make a new effort to solve the smoldering Palestinian problem.

In a two-hour meeting at the White House, Bush also said that after the crisis is over, Israel should join in Middle East arms control negotiations.

Bush and Shamir did not discuss the subject in detail, though Bush said that peace and stability in the region "ought to benefit Israel, too," said John Kelly, assistant secretary of state for the Middle East....

Shamir, emerging from the White House...said Bush and he "reached general understanding, more or less, on all the moves in the Gulf and on Israel's position."

Kelly said Bush told Shamir he appreciated Israel's low profile in the Gulf crisis....

If Iraq attacks Israel, the United States "could not but react," Bush assured Shamir, though Bush "did not define it," Kelly said.
(Walter Friedenber, Scripps Howard)

Bush And Shamir Show Solidarity -- President Bush and Prime Minister Shamir sought Tuesday to smooth over differences with a public show of solidarity. But the highest-level meeting between the two countries since the start of the Persian Gulf crisis ended with signs of the same tensions that have irritated relations in recent months....

The glowing, diplomatic language seemed more a reflection of both leaders' anxiety to present a more positive image of American-Israeli relations than an indication of substantial progress on the issues concerning the two countries....

For both countries...imagery, rather than substance, seemed to be the main purpose of the meeting, which was arranged because Mr. Shamir's plans to be in the United States on a private visit provided a convenient opportunity and not because either side was lobbying hard to have it. (Andrew Rosenthal, New York Times, A19)

Bush Tells Shamir Israel Won't Be Hurt By U.S. Efforts In Gulf Crisis -- After a meeting that emphasized their ties rather than their differences, Israel's prime minister...said Tuesday President Bush had assured him the U.S. would not try to settle the Persian Gulf crisis at the expense of Israel.

In addition, according to administration officials, Shamir said Israel would not protest if Bush decided to waive barriers to agricultural credits for the Soviet union put in by Congress to oppose past Soviet restrictions on Jewish emigration....

John Kelly said that while Bush voiced concerns about Israeli treatment of Palestinians living in occupied areas, Bush did not press Shamir on the killing of at least 19 Arabs during unrest at the Temple Mount in Jerusalem on Oct. 8. Nor did Bush press Shamir to cooperate with a planned U.N. investigation of the clash.

In addition, Kelly said Shamir did not ask Bush to veto a resolution at the U.N. for an international peace conference to address the Arab-Israeli conflict...but Shamir said he had been assured by Bush [the U.S. would not accede to Arab demands for a conference.] (Stephen Kurkjian, Boston Globe)

Shamir Breaks Ice, Wins Bush Promises -- President Bush rewarded Israel Tuesday for its low profile in the Persian Gulf crisis by pledging continued aid and vowing not to seek Middle East peace talks until Iraq had vacated Kuwait....

Mr. Shamir essentially got everything he wanted from Mr. Bush, apparently warming up their frosty relations of the past year. They opened what several officials called a "friendly relationship" aimed at restoring Israel as Washington's No. 1 Middle East ally.

"This meeting, I think, will enhance further the special relationship, the friendship, between the United States and Israel," Shamir said after the Oval Office meeting of nearly two hours, about twice the length scheduled.

"It really was a warm, nice, friendly, open meeting," a senior Israeli official said....

Israeli sources said Mr. Bush told Mr. Shamir that he would not allow additional housing loan guarantees until he is assured that Israel will comply with its pledge to not settle Soviet Jewish immigrants in the occupied territories.

Mr. Bush was much more supportive of continued military aid to Israel, assuring Mr. Shamir that "We will maintain a qualitative edge in armaments for Israel," Mr. Kelly said.

(Paul Bedard, Washington Times, A1)

-more-

**IRAQ INCREASES ITS TROOPS NEAR KUWAIT
TO 500,000, PENTAGON SAYS**

Iraq continues to pour more military power in and around Kuwait, with troops now numbering 500,000, an increase of 20,000 from last week and 100,000 more than a month ago, the Pentagon announced Tuesday....

Pentagon and congressional officials said Tuesday that the continued Iraqi buildup had little effect on the offensive capabilities of U.S. forces in the Persian Gulf.

Gen. Powell said at the time of Hussein's announcement that any further Iraqi buildup would not greatly threaten U.S. forces and might even make it easier for the U.S. to fight a war.

Powell did not elaborate, but a congressional specialist on the Gulf, who declined to be named, said Tuesday that Saddam Hussein had "already got all of his first-rate forces" in or near Kuwait....

Sending in more troops, he said, would amount to "pumping in cannon fodder. If there were a war, we'd be able to do much more damage to his military, partly because his logistics, which already stink, will be even more crumbly."...

The specialist concluded, "I'm not saying it's nothing to worry about, but it doesn't add much firepower" to the Iraqi military.
(Fred Kaplan, Boston Globe)

SIGNALS MIXED ON IRAQI PLANS

BAGHDAD -- While Iraq has systematically plundered Kuwait and isolated atrocities by Iraqi troops are continuing, there is conflicting evidence as to whether Baghdad is digging on for a fight or moving to withdraw as much booty as possible.

The excesses by invading troops in the first few weeks have largely disappeared, replaced by well-organized and official plundering of Kuwait's wealth, according to Westerners and Kuwaitis who recently fled Kuwait City. Armed resistance has tapered off and the overwhelming Iraqi military presence in the city has been reduced, they said....

Baghdad appears to have reduced its military strength in the port city itself, leading some observers to suggest that there will be no war for urban Kuwait....

Resistance fighters have won at least one significant tactical victory.

Kuwait's main international airport has been closed. All flights leave from an air force base after a successful rocket attack -- presumably by Kuwaiti resistance fighters -- on an Iraqi airliner.
(Paul Koring, Toronto Globe & Mail)

IRAQ THREATENS TO WIPE OUT ISRAEL IF IT ATTACKS

BAGHDAD -- Iraq said Wednesday it would wipe out Israel if it came under attack from the Jewish state.

"Nothing called 'Israel' shall remain if Israel is involved in an aggression against Iraq," the government newspaper Al-Jumhuriya said in a front-page editorial which repeated previous threats against Israel.

The newspaper said..."Iraq has taken a clear, defined and open decision to inflict an unprecedented punishment against this entity (Israel) which has usurped the rights of Arabs."
(Reuter)

-more-

**500 TO FOREGO U.S. EVACUATION
Many Are Children or Hold
Mixed Citizenship in Kuwait, Iraq**

BAGHDAD -- About 500 Americans appear to have decided to forego evacuation and have chosen to remain in Iraq or Kuwait because they are either long-time residents or hold dual U.S. citizenship in either country, U.S. officials said Tuesday.

Many of those remaining behind are children of mixed-citizenship families.

An American evacuation flight from Kuwait left...Tuesday with no Americans on board, essentially confirming that several hundred people who hold U.S. passports are expected to remain behind.

In Washington, the State Department announced another evacuation flight was expected to depart Kuwait on Thursday, after a final effort to locate any Americans who might wish to leave. The flight is also expected to take out the five remaining U.S. diplomats at the beleaguered embassy in Kuwait City, effectively closing the facility. (Dana Priest, Washington Post, A1)

EMBARGO AGAINST IRAQ HAS FAILED TO MAKE MUCH IMPACT

BAGHDAD -- The international trade embargo against Iraq...has failed so far to make much impact on the lives of most Iraqis.

While oil exports have effectively been throttled, widespread and efficient sanctions-busting by Baghdad and scores of enterprising smuggling operations in neighboring countries have maintained a steady flow of food and other imports.

The evidence is unmistakable: tea from Iran with labels in Farsi, beer and canned foods from Jordan, light bulbs and packaged breads from Turkey -- all with production dates long after the embargo was imposed on Aug. 6....

"The borders are porous enough that lots of stuff is getting through," says a Canadian diplomat charged with monitoring the impact of the sanctions.

None of his colleagues in a group from the Organization for Economic Cooperation and Development that meets monthly to assess the effectiveness of the embargo can find contrary evidence. There has been only a "very limited effect on the economy," another diplomat said.

"I don't think the population is suffering much, although there is individual suffering."

For what hardship exists, he cited Iraqi "mismanagement of the economy and excessive spending on defense as the main source of suffering," rather than the effectiveness of the sanctions....

All of the signs point to a massive flow of supplies from Syria and Iran....

Some Jordanian businessmen say little-used desert tracks have suddenly become busy again; others suggest that sanctions-busting cargoes enter Iraq via Syria. Whatever the routing, Jordanians complain of shortages caused, they say, because so much production is being shipped to Iraq. (Paul Koring, Toronto Globe & Mail)

Businessman: Kuwaiti Supplies Could Sustain Iraq For Years -- FRANKFURT -- Economic sanctions will not force Saddam Hussein to back down because his legions looted enough from Kuwait to sustain Iraq for several years, a Canadian businessman who fled the captive nation said Wednesday.

The Baghdad-born executive said he was "utterly amazed by the over-simplification of the issue...that economic sanctions will have their effects on Iraq."

"What has been looted from Kuwait is enough to last the system for up to 10 years," the 50-year old businessman said....

The Canadian businessman said an Iraqi friend in Kuwait asked him to give President Bush a message "that they hope he will not betray them and they are waiting for him to liberate not only Kuwait but the Iraqi people from his tyranny." (Maud Beelman, AP)

SHEVARDNADZE URGES NUCLEAR-FREE ZONE IN MIDDLE EAST

HOUSTON -- Soviet Foreign Minister Shevardnadze called Tuesday for creation of a zone in the Middle East that would be free of nuclear and chemical weapons and would include both Iraq and Israel after the Persian Gulf crisis is solved.

Secretary Baker...said he was sympathetic to the idea, but stopped short of saying the U.S. would ask Israel to give up its nuclear weapons.

Shevardnadze also flatly ruled out any Soviet participation in the multinational force massed in the Gulf.... But the Soviet minister strongly backed Washington's efforts to arrange high-level talks with Iraqi officials as soon as possible.

In three hours of talks Tuesday, Baker and Shevardnadze focused on the Soviet Union's economic needs....

Baker said Tuesday that "there was full agreement" with the Soviets that any assistance provided by the U.S. should be part of a transition toward "long-term economic reform" in the Soviet Union. (David Hoffman, Washington Post, A29)

Baker Says He Supports Soviet Plan For Nuclear-Free Zone In Mideast

-- HOUSTON -- Dangling a carrot in front of Saddam Hussein, Secretary Baker gave qualified support Tuesday to a Soviet plan for diplomatic talks aimed at eliminating all nuclear and chemical weapons in the Middle East, including Israel's, if Iraq withdraws from Kuwait....

Baker said the U.S. and Soviets saw "eye to eye" on all aspects of the Persian Gulf crisis and were prepared to work together to end the Middle East arms race "when we resolve the current crisis."

Pressed by reporters, Baker refused to specifically commit the U.S. to a "nuclear-free zone" in the region. But he said Washington would be willing to explore a major diplomatic effort to halt the spread of mass destruction and conventional arms throughout the Middle East once the Gulf crisis is over.

"We should take a look at the proliferation of all types of weapons in the Middle East," Baker said. "We should recognize the fact that the Middle East has become a dumping ground of weapons of all sorts, not only nuclear, but also chemical....and conventional. Doing this would require all nations in the area to subscribe (to negotiated limits.)"

(George de Lama, Chicago Tribune)

BUSH, SHEVARDNADZE MEET TODAY
Deal Would Help U.S. Agriculture

U.S. farmers are nearly as eager to get rid of their growing surpluses as the Soviets are to receive them....

A multibillion-dollar deal with the Soviet Union could boost market prices and pave the way for greatly expanded trade with the Soviets.

"We're accumulating surpluses and there's fear about the recession and (food) isn't moving as fast as we'd like," said Don Lipton, spokesman for the American Farm Bureau Federation....

"If we export more to the Soviet Union, it'll help them help us," said Bill Roenigk, of the National [chicken] Broiler Council. "We're very optimistic it will happen."

Says Steve McCoy, of the North American Export Grain Association: "The President and Congress can deliver a message of reassurance to U.S. agriculture by moving swiftly, by whatever means necessary and available, to grant (export credits) to the U.S.S.R."

(Tracy Walmer, USA Today, A4)

RESISTANCE IN KUWAIT IS ALIVE, SAY EVACUEES
Heroism Recounted; Retribution 'Severe'

BAGHDAD -- British and American citizens evacuated from Kuwait Tuesday after months of hiding spoke of heroic Kuwaitis who saved them from capture by Iraqi soldiers and who smuggled them daily provisions.

They described the Persian Gulf kingdom...as a shell of a country, a dirty, dangerous place where everything of value has been lifted and where the relatively well-trained troops who led the invasion have now been replaced by younger, more unruly and greedy soldiers.

Without exception, those interviewed Tuesday said they wanted the world to know the Kuwaiti resistance movement is alive. They described Kuwait City and its environs as fortified with plywood and cement machine-gun embankments, as well as a nascent system of tunnels where it appears the Iraqi forces are storing arms, water and communications equipment. (Dana Priest, Washington Post, A1)

Hostages: No Resistance Fighting; Kuwait City A Ruin -- FRANKFURT -- Western hostages fleeing Iraq and occupied Kuwait this week report resistance fighting against Iraqi soldiers has stopped, and that Kuwait City is now an empty ruin....

"Some people in Kuwait are still in hiding. It's chaotic down there. But we're the last out of Iraq," Mike Nickman of Grand Island, Michigan, said....

[An Irishman] said there was some resistance fighting against the Iraqi soldiers at the beginning of the occupation in August, but it soon stopped after Iraqi soldiers rounded up Kuwaiti children and threatened to kill them one-by-one for every Iraqi shot.

(Lance Gay, Scripps Howard)

U.N. ENVOYS PLAN PLEDGE TO ASSURE IRAQ

UNITED NATIONS -- The foreign ministers of the five permanent Security Council members hope to meet in Europe this month to pledge to Saddam Hussein that he need not fear an attack if he gives up Kuwait peacefully by the Jan. 15 deadline they have set, diplomats here say.

At this meeting, which they want to hold after Foreign Minister Tareq Aziz of Iraq has visited Washington but before Secretary Baker goes to Baghdad, the five are also planning to warn Saddam that they will not be satisfied with a partial withdrawal from Kuwait....

Diplomats say they suspect that Mr. Hussein is still worried that the military force assembled in the Gulf will be used to destroy him in any event, making withdrawal pointless.

The declarations could also reassure Saddam by implication that the U.S. would not permit Israel to attack him either, these diplomats add.

(Paul Lewis, New York Times, A18)

**ALGERIAN PRESIDENT LAUNCHES PEACE BID
Bendjedid To Push Iraqi-Saudi Dialogue**

AMMAN -- Algeria's President Bendjedid launched a new Arab mediation effort in the Persian Gulf crisis Tuesday, arriving here on the first leg of a peace mission that Jordanian officials said is aimed at arranging a summit meeting between President Hussein and King Fahd.

Bendjedid met with Jordan's King Hussein Tuesday night and was expected to travel Wednesday to Baghdad for talks with Saddam. He is also expected to visit Saudi Arabia and Iran, and possibly stop in Oman and Syria during a five-day regional tour....

According to Jordanian officials, the Bush administration's proposal for a high-level exchange of visits between Washington and Baghdad spurred the Jordanian-Algerian initiative to explore the possibility of direct talks between Fahd and Saddam. They said King Hussein and Bendjedid agreed on the need for a dialogue that would consider purely Arab interests in the confrontation and not involve outside powers. (William Drozdiak, Washington Post, A29)

**U.S. TO SEEK AID FOR 3 ALLIES IN CRISIS
Up To \$5 Billion May Be Needed
To Offset Sanctions' Effect in 1991**

The United States plans to ask its Persian Gulf allies to come up with an additional \$4 billion to \$5 billion in the next year for Jordan, Egypt and Turkey to compensate for losses related to the Gulf crisis, a senior Treasury official said Tuesday.

A committee working under the chairmanship of Treasury Undersecretary David Mulford had earlier received pledges from 25 nations now estimated at about \$13.4 billion, of which about \$10.8 billion was earmarked for Jordan, Egypt and Turkey. But it has always been assumed, the Treasury official said, that even if the confrontation with Iraq were settled "relatively quickly, there would be additional requirements" to be met for 1991.

He added that there is also concern that "after you had made the emergency transfusion in 1990 [and taken care of] the immediate shock, another question to be addressed for 1991 is how to assure that the economic reform process that was underway continues."

(Hobart Rowen, Washington Post, A31)

Gulf Donations Range From \$5 to \$2.5 Billion, Pentagon Says -- Donations to help pay for the U.S. military buildup in the Persian Gulf have ranged from \$20 from a young lemonade salesman to \$2.5 billion from the exiled rulers of Kuwait, the Pentagon said Tuesday.

Spokesman Pete Williams said countries including Japan, Germany, Kuwait and Saudi Arabia had promised \$6.5 billion to the U.S. effort and had so far provided \$4.5 billion of that in cash and services ranging from transportation to food....

Williams said a total of \$6,257.92 had been mailed to the Pentagon from about 30 individuals, including 20 one-dollar bills from a Washington-area schoolboy.

The 8-year old boy...made the money by selling lemonade at a small stand on busy Connecticut Avenue. The spokesman said the small bundle of money was sent with the following note:

"Dear Secretary Cheney:

Please use this money to help buy water to help for the troops in the desert and the men in the boats at the Gulf. From, David."
(Charles Aldinger, Reuter)

TWO U.S. MARINES DIE IN GULF, AMERICAN TOLL 55

DHAHRAN -- Two U.S. Marines serving in Operation Desert Shield collapsed and died in separate incidents in the Persian Gulf, military authorities said Wednesday. (Reuter)

TREASURY: JAPAN STILL RESTRICTS U.S. FINANCIAL FIRMS

Despite six years of efforts to pry open Japan's financial markets, U.S. banks and securities companies still face restrictions on how much business they can do in that country, the Treasury Department told Congress Tuesday.

"In general, Tokyo is viewed as a key financial center, but one in which change has not kept pace with that in other major centers. By any standard of openness, Tokyo lags substantially behind New York and London," the department said in a 505-page report to Congress on foreign treatment of U.S. financial institutions.

The reports also criticized the newly industrialized economies of South Korea and Taiwan and "most major Latin American countries" for discriminating against American banks.

In an indication of a tougher Treasury line on trade issues, Undersecretary David Mulford hinted in a press briefing that the Bush administration might support legislation calling for retaliation against closed financial markets in other countries if global free-trade talks are not revived next year.

(Stuart Auerbach, Washington Post, A12)

**KGB PLEDGES TO BATTLE 'ANTI-COMMUNIST' FORCES
IN SOVIET UNION**

MOSCOW -- KGB Chairman Vladimir Kryuchkov said Tuesday night that the secret service would wage battle "with all the means at their disposal" against "anti-communist" forces from within the country and from abroad that threaten the authority of Soviet central power.

"To be or not to be, that is the choice for our great state," Kryuchkov said in a televised statement. "The KGB has made its choice, to defend the socialist motherland.... The KGB will protect law and order and block all force trying to tear the union apart."

Kryuchkov's hard-line statement clearly is a part of President Gorbachev's attempt in recent weeks to reassert the Kremlin's authority against nationalists in the Baltic states and other republics who reject his idea of a "renewed" union and challenge Moscow's traditional control over the economic and political system.

(David Remnick, Washington Post, A18)

SHEVARDNADZE BATTLES MILITARY

Policy differences between Soviet Foreign Minister Shevardnadze and the Soviet military are expected to continue and could affect Moscow's adherence to arms control treaties, according to a RAND Corp. study.

Disputes between the Foreign Ministry and the military since 1988 "raise questions regarding compliance with and the possible reversal of many of the steps taken by the Soviet military," the report states.

Mr. Shevardnadze's moderate foreign policies are unpopular with the military. That means "their continuation will depend very much on the political fortunes of Gorbachev."

"However reluctantly, the generals obey the civilian leadership," according to the report.... "Nonetheless, on circumstances in which the Soviet military is being forced to take steps that it strongly opposes, the possibility cannot be excluded that it [the military] may violate the letter or the spirit of the policies instituted by the civilian leadership."

(Bill Gertz, Washington Times, A5)

SOVIETS SAID TO THREATEN SUPPLY CUTOFF IN BALTICS

Soviet officials have threatened to cut off food, energy and raw materials to the three separatist Baltic republics unless they agree to remain in the Soviet central planning system and turn over their hard currency earnings to Moscow, Lithuanian President Landsbergis said Tuesday....

"The specific demand made on us," the Lithuanian president said, "was that we remain in the central planning, finance and taxation system and that we give over to the Soviet authorities the hard currency that we earn." Landsbergis said the Lithuanians were told they would be cut off from all Soviet shipments on Jan. 1, but he expressed confidence that his breakaway republic would survive.

(A.D. Horne, Washington Post, A20)

U.S., SOVIET CLIENTS IN ANGOLA TOLD TO MAKE PEACE

The U.S. and Soviet Union Tuesday gave their warring partners in Angola a strong shove toward peace, amid clear indications that a halt in the 15-year-old conflict is at hand.

In a joint statement released Tuesday, Secretary Baker and Soviet Foreign Minister Shevardnadze said they have developed a peace plan calling for a cease-fire, cut-off in arms supplies to respective sides and internationally monitored elections.

The plan is to be discussed today in Washington in an unusual round of "cross talks." Mr. Shevardnadze will confer with U.S.-supported Angolan rebel leader Jonas Savimbi while Mr. Baker holds talks with Soviet-backed Angolan Foreign Minister Van Dunem.

(Warren Strobel & Gus Constantine, Washington Times, A7)

**ANGOLA MOVES CLOSER TO PEACE
WITH AGREEMENT ON MULTIPARTY RULE**

LUANDA -- Moves toward multiparty rule by Angola's governing leftist movement go a long way in meeting conditions set by right-wing rebels to end the country's 15-year old civil war, Western diplomats in Luanda say.

But the envoys warned that further guarantees would be needed to convince the rebels to lay down their arms.

"A practical and face-saving option for both sides would be to agree on a disengagement of hostilities at the next round of peace talks," one diplomat said....

"The Angolan government position is that it has now done everything reasonable and possible to create the conditions for peace," one diplomat said.

(Anita Coulson, Reuter)

COMMUNIST ALBANIA TO LEGALIZE OPPOSITION PARTIES

VIENNA -- Albania's ruling Communist Party, in a series of watershed moves, sacked five members of its Politburo Tuesday, called for changes in the government, and said opposition political parties should be allowed.

(Reuter)

SALVADOR ASKS FOR HELP AGAINST REBELS' MISSILES

The El Salvadoran government is seeking sophisticated U.S. equipment to counter the use of new Soviet-made surface-to-air missiles by Marxist rebels, Salvadoran officials said Tuesday.

The officials said they hope the U.S. military experts sent to El Salvador this week will recommend new equipment for government planes, including radar and a more efficient way to confuse missiles shot from SA-14 shoulder-fired launchers....

A high-ranking member of the Bush administration said Tuesday the Sandinistas and the Cubans were the only armies in the region that had SA-14s.

"Theoretically, the Soviet Union is responsible [for sending the new weaponry], but we don't believe the Soviet Union is the direct source," said the U.S. official, who asked not to be named.

(Lauren Weiner, Washington times, A7)

CANADA UNVEILS MAJOR ENVIRONMENTAL PLAN

TORONTO -- The Canadian government announced Tuesday a \$3 billion program to clean and protect the country's air, water and land over the next five years, calling it the most comprehensive environmental plan in the world.

(William Claiborne, Washington Post, A19)

EDITOR'S NOTES: "Presidential Reward," a news analysis on President Bush's handling of the hostage issue by R.W. Apple, appears in the New York Times, A19.

"Roundup By Iraqis Called Sporadic, Erratic," by Mary Jordan and John Lancaster, appears in the Washington Post, A1.

"Crisis Takes Toll on Palestinians," by William Drozdiak, appears in the Washington Post, A29.

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NATIONAL NEWS

SUNUNU PREDICTS STORMY SESSION, RENEWED CALL FOR CAPITAL GAINS TAX CUT

White House Chief of Staff Sununu Tuesday predicted more stormy relations between Republicans and Democrats in the next session of Congress, with President Bush virtually certain to call again for a capital gains tax cut....

The Sununu speech, at the National Press Club, provided evidence that the administration is gearing up for a prolonged fight with Democrats, especially on the tax or "fairness" issue. A White House aide predicted after the speech the Republicans would beat the Democrats "if their rallying cry is going to be 'tax the rich.'"...

While Sununu said Bush had not made a final decision on capital gains, he talked positively about it as the centerpiece of Bush's economic growth principles....

The standoff with Iraq and the economy will occupy much of the White House calendar for now. But Sununu said Bush would promote his "rolling agenda," including health care with the emphasis on youth, enterprise zones giving tax benefits to companies providing jobs in inner cities, more funding for merit schools and a new defense structure at the Pentagon.

Bush, he said, also would press again for a line-item veto, reforms in campaign financing and term limits on members of Congress "to deal with the problems associated with perpetuating the life of those who [are] elected to govern people...the reality that incumbency breeds a very different attitude is sensed by the public."

(John Mashek, Boston Globe)

Bush Backs Move For Limiting Terms Of U.S. Lawmakers -- President Bush has decided to push for a constitutional amendment to limit the terms of members of Congress, his chief of staff, John Sununu said Tuesday.

Doing so as he prepares for his re-election campaign will put Mr. Bush squarely and publicly on the side of an idea that is as widely popular among voters as it is wildly unpopular with members of Congress, including many Republican lawmakers. And state lawmakers are not enamored of the idea either....

Even though passage of such an amendment is unlikely, there is very little risk for Mr. Bush in associating himself with the movement.

Politically, the move fits nicely with the growing effort by the White House to depict Congress as the source of most of the nation's problems.

"The reality that incumbency breeds a very different attitude is now sensed by the public," Mr. Sununu said....

A spokesman for Rep. Michel...said, "He doesn't think it needs to be done."

(Michael Oreskes, New York Times, A1)

Citing Year of Triumphs, Sununu Defends Actions -- White House Chief of Staff Sununu, the target of sharp and often bitter complaints by fellow Republicans, Tuesday defended his often contentious performance and said his leadership on domestic issues gave President Bush a year of triumph over the Democrats.

"Contrary to a lot of what has been written and talked about," Sununu told a National press Club audience, the past year had been "a very successful year in terms of agenda set and agenda fulfilled for the President."...

Sununu described his battles as solely aimed at protecting Bush from "gratuitous" shots and his legendary temper as used only for effect. "I guarantee you that contrary to the legend, any strong statements on my part are both controlled, deliberate and designed to achieve an effect. There is not random outburst. It is all designed for a purpose. And I think the efficiency of the result is underscored by what we've been able to achieve."

The chief of staff said, "I make no apologies for feeling that the President of the United States ought not to be subjected to inappropriate attacks without somebody willing to...comment both in the context and in the tenor of the original charge.... You have never seen me initiate an attack."

(Ann Devroy, Washington Post, A25)

GOP GOVERNORS WARN BUSH TO RETURN TO BASICS

PINEHURST, N.C. -- Republican governors gave Vice President Quayle a private message for the White House Tuesday and then made part of it public: Get back to GOP basics or forget about becoming a majority party.

Mr. Quayle delivered a message from President Bush to the governors: Get your constituents to pressure Congress for more support of Mr. Bush's Gulf policy....

In a surprising eruption of candor that spoiled the united front of determined public optimism at the four-day conference, Delaware Gov. Castle told his fellow governors: "The Republican Party didn't do all that well in last month's elections."...

He was stating for the first time what had been a seething private anger among many colleagues over the way Mr. Bush, budget director Darman and Chief of Staff Sununu handled last summer's budget negotiations and the October cave-in by the President on new taxes.

There was also some privately expressed distress over the administration's support for a new civil rights bill, special rights for the handicapped and costly clean air regulations....

The governors were particularly bitter about two things. One was the national party's inability to get the Republican message out coherently and effectively enough to rout the Democrats from Congress.

The other was that Congress insists on legislating responsibility onto the backs of the states and then tells them: Go find the revenue to pay for these things yourself.

(Ralph Hallow, Washington Times, A4)

BUSH REAPPOINTS CLARKE AS COMPTROLLER OF THE CURRENCY

President Bush, brushing aside objections by Chief of Staff Sununu, nominated Robert Clarke on Tuesday to a second five-year term as U.S. comptroller of the currency....

Clarke issued a lengthy statement in which he voiced appreciation of Bush's support of him and also appeared to answer Sununu's criticism.

"I appreciate the President's expression of confidence," said Clarke.

"I look forward to the confirmation hearings before the Senate," he said, adding: "This is an extremely difficult time for lenders, borrowers and bank regulators." (Thomas Ferraro, UPI)

INFLUENTIAL TRADE GROUP PREDICTS A RECESSION

NEW YORK -- A prominent trade group predicts the nation will dip into a recession next year but says export growth and a strong dollar will brighten the economy by next summer.

The National Association of Purchasing Management issued its semiannual forecast Tuesday....

The trade group, which is composed of purchasing managers at manufacturing companies nationwide and conducts regular research on the economy, reported its members were "extremely pessimistic" about the economy for the first half of 1991.

However, "purchasers expect a recovery to begin in the later half of the year fueled by continued relatively strong growth in exports and a declining trend in inflation," said Robert Bretz, chairman of the associations's business survey committee.

(Rob Wells, AP)

**MODERATE DEMOCRATS TRYING TO GROW GRASS ROOTS
Leadership Conference, Launching New Chapters,
Hopes To 'Build a Network' For 1992**

Five years after it was founded as a Washington "safe house" for moderate Democrats, the Democratic Leadership Conference is making its first serious effort to convert itself into a grass-roots organization.

Arkansas Gov. Clinton, the new DLC chairman, has spent the last five days with DLC President Al From launching new chapters of the organization in Kentucky, the Carolinas, Alabama, Mississippi and Texas. The goal, From said, is to have at least 20 chapter when the organization holds its convention in Cleveland in May and to reach another 20 by the end of the year.

Clinton and From said the DLC would retain its focus on issues, rather than become a vehicle for anyone's campaign. But From added, "We hope to build a network of people who might not have been involved in Democratic [presidential] primaries, an alternative infrastructure for the candidate or candidates delivering the message we hope the Democrats will emphasize in 1992."...

From said another goal of the grass-roots drive is to shift DLC financing, which has been criticized as being overly dependent on Washington lobbyists, to a mass membership base.

(David Broder, Washington Post, A7)

EDITOR'S NOTES: "30 Governors Expected to Face Budget Deficits," by Gwen Ifill, appears in the Washington Post, A6.

"Kicks Are For Kids At The White House [diplomatic childrens' party]," by Donnie Radcliffe, appears in the Washington Post, G1.

"White House Shows Spirit," by Frank Murray, appears in the Washington Times, A3.

"Sununu Predicts A Taxing War With Hill," by Frank Murray, appears in the Washington Times, A4.

"\$4 Billion Loss Seen By F.D.I.C.," by Stephen Labaton, appears in the New York Times, D1.

-End of A-Section-

NETWORK NEWS

(Tuesday Evening, December 11)

SHAMIR, SHEVARDNADZE

NBC's Tom Brokaw: Nothing is ever easy when it comes to the Middle East, and it's almost never as it appears to be in public. That was especially clear today when President Bush met with Prime Minister Shamir at the White House, a meeting that comes as U.S.-Israeli relations are deeply strained and as the standoff with Saddam Hussein is entering a delicate stage.

NBC's John Cochran: Anyone hoping for a big fight between President Bush and Prime Minister Shamir has to be disappointed. Both men decided if there was a fight, the only winner would be Saddam Hussein.

(TV Coverage: President Bush and Prime Minister Shamir seated in the Oval Office.)

President Bush sent the first signal that this was the time to put up a united front.

(President Bush: "I want to give a warm welcome to the prime minister here.")

So warm was the welcome that Bush did not even mention their differences over the so-called Temple Mount massacre two months ago, when Israeli police fired on Palestinians who had thrown stones. Twenty Palestinians were killed. The U.S. voted for U.N. resolutions condemning Israel's use of gunfire. But today, Bush and Shamir talked of other U.N. resolutions -- those condemning Saddam Hussein. Bush promised he would keep the Gulf crisis separate from Israel's conflict with the Palestinians. And Shamir, for his part, did not repeat Israel's warning that Bush must destroy Saddam's military power.

(TV Coverage: Shamir standing at podium outside West Wing lobby.)

(Shamir: "I trust the President. What he said, he said it several times, and said it to me now again -- that there will not be any deal at the expense of Israel.")

White House officials were stunned that Shamir was so cooperative. And Shamir had another surprise. He will meet Foreign Minister Shevardnadze in Washington this week. Today, Shevardnadze was with Secretary Baker.

(TV Coverage: Secretary Baker and Shevardnadze seated at table.) Shevardnadze said Moscow has high hopes for Baker's trip to Baghdad, probably in early January.

(Shevardnadze: "The sooner contacts materialize between the United States and Iraqi leadership, the better it will be.")

Today, an Arab nation, Algeria, jumped into the Gulf crisis as a potential peacemaker.

(TV Coverage: Algerian President Benjadid shaking hands with King Hussein at airport.)

President Benjadid stopped in Jordan on his way to Baghdad. U.S. officials regard Algeria as a diplomatic heavyweight because of its help in negotiating the release of American hostages in Iran almost 10 years ago. [One] note: Chief of Staff Sununu said today that Iraq seems to be moving in a slightly more positive direction.

Brokaw discusses the Shamir meeting with Cochran.

Brokaw: That meeting between the President and Shamir, all those smiles. What happens, however, once the Gulf crisis is resolved?

Cochran: Well, this thing has been moved on just to the back burner. Prime Minister Shamir did say that once the Gulf crisis is over, he will work toward peace with the Palestinians. But no one here at the White House knows what that means. They know there will be tough days ahead with Shamir, but they think that now is not the time to fight that fight. (NBC-Lead)

CBS's Dan Rather: Foreign Minister Shevardnadze urged the U.S. to make a last-ditch effort to avert war in the Gulf. Talking with Secretary Baker, he also lined up behind the U.S. demand for an early meeting in Baghdad between Baker and Saddam Hussein.

CBS's Bill Plante reports there is still no date for that proposed meeting, and Baker all but accused Iraq of stalling because they have yet to offer any date earlier than Jan. 12. And Baker says the U.S. has suggested any date between Dec. 20 and Jan. 3, while Iraq has offered only one.

(TV Coverage: Secretary Baker and Shevardnadze seated at table.)

(Secretary Baker: "It's pretty hard to have a meeting unless both sides agree with respect to when and where the meeting is to be held.")

Foreign Minister Shevardnadze says Moscow supports the U.S. position in the Gulf, and places great hope in the coming talks. But Shevardnadze totally ruled out any Soviet troop commitment to the multinational force in the Gulf.

(Shevardnadze: "I can tell you that this option is not under consideration, and that this option is non-existent.")

In Baghdad, only 15 Americans showed up at the airport to be evacuated, and officials think everyone who wished to leave Iraq and Kuwait has now done so. The long-suffering staff of the U.S. Embassy in Kuwait is expected to leave Thursday.

(State Department spokesman Boucher: "We plan one more flight on Thursday, to make doubly sure that that is the case. And we anticipate that that will be our last U.S.-chartered evacuation flight.")

Baker and Shevardnadze are going to leave Houston for Washington tonight, where Shevardnadze sees the President tomorrow to talk about, among other things, economic aid and food aid for the Soviet Union. Bush is expected to be receptive. Something else that will come up tomorrow: A START treaty.

Rather discusses the meetings with Plante.

Rather: Where does all this leave the possibility of a Bush-Gorbachev summit?

Plante: They've wanted one in January, but that's effectively been put off, we believe. From what everybody tells us they don't want it to get in the way of the Gulf deadline of Jan. 15. (CBS-Lead)

Rather: The Gulf situation has added to the distance and distrust between President Bush and America's main ally in the Mideast, Israel.

CBS's Wyatt Andrews:

(TV Coverage: President Bush, Prime Minister Shamir seated in Oval Office.)

(President Bush: "I want to give a warm welcome to the prime minister here.")

With all the flavor of a shake-hands-and-be-friends reconciliation, President Bush and Yitzhak Shamir ended their year-long estrangement today: By all accounts, a love-fest both sides saw as overdue.

(TV Coverage: Shamir standing at podium outside West Wing lobby.)

(Prime Minister Shamir: "And this meeting, I think, will announce further the special relationship, the friendship, between the United States and Israel.")

Shamir was euphoric, because the President was non-confrontational. Officials say the October violence at Jerusalem's Temple Mount never even came up. Also ignored: Shamir's previous rejections of U.S. efforts to broker peace with the Palestinians. Bush wanted to reach new understandings on the Gulf with Israel, and the big one was this: Israel will moderate its own threats against Iraq, so as not to complicate U.S.-Arab teamwork while the U.S. promises not to settle this crisis with any Arab arrangement harmful to Israel.

(Shamir: "And he said it to me now again, that there will not be any deal at the expense of Israel.")

(TV Coverage: Protests outside of White House north gate; protesters chanting, "Stop the Killing! Stop the crime! Israel out of Palestine!")

The President did warn Shamir that Israel needs new answers to the Palestinian question. But there were no concrete promises demanded or offered in return -- except that Shamir would take it up again after the crisis. Still, if the past is any guide, both these leaders will only see what they want to in this meeting. The U.S. will see renewed Israeli cooperation in the Gulf and vague new promises on the peace process. But Shamir, once again on speaking terms at the White House, can interpret new license to postpone the Palestinian question until after the Gulf crisis is resolved.

(CBS-4)

ABC's Peter Jennings: We begin tonight by clearing up some of the confusion that has lingered about the fate of Americans in Iraq and Kuwait ever since the summer. The State Department has never been precise about how many Americans it believed were, in essence, trapped behind the lines. But today, when a plane showed up to bring out what was believed to be several hundred more, only 15 chose to leave. More than 500 chose to stay -- 310 in Kuwait, 200 in Iraq. Some may be Iraqis or Kuwaitis who are also American citizens; 294 are children. Which means, according to the State Department, there are only 17 Americans left who wish to leave -- and they will apparently do so tomorrow or Thursday. The release of all the hostages is supposed to clear the way for the U.S. and the Iraqi leadership to sit down and talk. But the U.S. is having a hard time getting the date it wants for the Secretary of State to visit Baghdad. Both the Secretary and the Soviet Foreign Minister are frustrated.

ABC's John McWethy reports that after two days of meetings, it is clear the U.S. and Soviet Union are continuing to deal with the Gulf crisis as partners.

(TV Coverage: Secretary Baker, Foreign Minister Shevardnadze seated at table.)

Both Secretary Baker and Foreign Minister Shevardnadze expressed frustration at Iraq's insistence that Baker not come to Baghdad until just three days before the January 15th deadline imposed by the U.N. Security Council. That's too late, Baker says.

(Secretary Baker: "It's pretty hard to have a meeting unless both sides agree with respect to when and where the meeting is to be held.")

Shevardnadze backed him up, saying the sooner Baker goes to Baghdad, the better.

(Shevardnadze: "We pin much hope on the coming contacts between Secretary Baker and President Bush and the Iraqi leadership.")

But Shevardnadze left no doubt that if there is fighting in the Gulf, the Soviet Union will not be part of it.

(Shevardnadze: "As to Soviets' involvement in a military operation, I can tell you that this option is not under consideration, and that this option is non-existent.")

But even without Soviet troops in the Gulf, the Bush Administration is delighted with Moscow's continued support for what the U.S. is doing -- so delighted that when Shevardnadze meets with President Bush tomorrow in Washington, a special emergency package of food and medical supplies are expected to be announced. (ABC-Lead)

Jennings: In Washington today, a rare visit from the man with the lowest profile in the Gulf crisis -- Prime Minister Shamir. With the Bush Administration concentrating on holding the coalition of Arab nations together against Iraq, Israel has been reasonably quiet. But restless.

ABC's Brit Hume:

(TV Coverage: President Bush and Prime Minister Shamir seated in Oval Office.)

The Israeli prime minister's relations with the Bush Administration have been chilly. But both sides had reason to avoid disagreement today. Shamir wanted assurances Israel's security would not be neglected in any settlement of the Gulf situation. The Administration wanted assurances Israel would not act against Iraq on its own.

(President Bush: "I want to give a warm welcome to the prime minister here, and say I'm delighted that he's back here for these talks.")

It was the warmest greeting Shamir had ever gotten from Bush, and it was reciprocated by Shamir as he left, praising the President's handling of the Gulf crisis.

(TV Coverage: Shamir at podium outside of West Wing lobby.)

(Shamir: "I must say that we have been delighted to express our full support for the leadership of the President.")

Shamir said the President had praised Israel's low profile in the Gulf, which Washington considers essential to Arab participation in the anti-Iraq coalition. And Shamir said he got the promise he wanted, and he believed it.

(Shamir: "I trust the President. What he said, he said it several times, and he said it to me now again -- that there will not be any deal at the expense of Israel.")

-more-

Hume continues: U.S. officials said the two leaders had either glossed over or ignored most areas of potential disagreement. They said Bush did raise his continued objections to Israeli settlements in the occupied territories. Shamir responded to that, they said, by explaining that Israel is having difficulty finding any place to settle new waves of mostly Soviet immigrants. A disagreement there, perhaps, but for today, a muted one. (ABC-3)

ISRAEL/SOVIET JEWS

ABC's Dean Reynolds reports on the problems of overcrowding caused by the recent huge influx of Soviet Jewish immigrants to Israel. One government official said Israel has failed to prepare for the influx. Next year Israel will spend \$5 billion on the immigrants. But \$30-60 billion more is needed over the next five years. That's really why Prime Minister Shamir is in the U.S. He is trying to drum up donations from private sources, and new loan guarantees from the White House. But Shamir's political opponents accuse him of trying to get something from the Bush Administration without doing anything about the Palestinian problem. (ABC-4)

GULF/HOSTAGES

NBC's Mike Boettcher reports that three flights delivered all the foreigners who wanted to escape Kuwait; only three Americans were among them. A few more may follow in the coming days.

(Joe Wilson, acting U.S. Ambassador: "I swear to God I hope that this is the last time that my generation and my children's generation ever have to face the specter of being taken against their will.") (NBC-3, CBS-2)

GULF/PENTAGON

Jennings reports the Pentagon says Iraq has deployed another 20,000 troops in and around Kuwait, and the French government said today it will send another 4,000 troops to the Gulf. This means Iraq will have about half a million troops in the region, compared with about 480,000 from the nations allied against Iraq. (ABC-2)

Brokaw reports the Pentagon announced the Bush Administration will soon be asking allies for more money to support the Gulf buildup. U.S. officials say Iraq added more troops this week, putting their total over 500,000. (NBC-2)

GULF/KUWAITIS

CBS's Peter Van Sant reports Kuwait's leaders in exile are eager for combat to begin in the Gulf, in order to liberate their people. (Sheik Saadal-Abdullah al-Sabah, crown prince of Kuwait: "All the Kuwaiti people are ready to fight.")

(Abdulah Abishar, official: "The Iraqi regime is a disgrace to human civilization. It should not be on the face of this globe.") From their luxury-hotel retreat, Kuwait's leaders talk tough. But few Kuwaitis have volunteered to fight for their country: 300,000 Kuwaitis are in Saudi Arabia, and fewer than 7,000 have joined the army, the poorest equipped and prepared in the Saudi desert. Many Kuwaitis believe the U.S. should go to war because it owes Kuwait a favor: Kuwaitis sheltered Americans in hiding. (CBS-3)

-more-

GULF/AIR ATTACK

ABC's Bill Redeker, using video of U.S. forces in training, outlines what many military analysts, including ABC's Anthony Cordesman, former military operations planner James Blackwell, and Ret. Col. Harry Summers, believe is one credible scenario for an American air attack in the Gulf. Results? In less than a week, according to the plan, the U.S. wins the battle in the air. If Saddam refuses to give up, Allied forces must wage a combined air and land offensive, which would be much more difficult and bloody, in order to win the war. (ABC-14)

FOOD/SOVIETS

Brokaw: Food aid for the Soviet Union. The White House may unveil a plan as early as tomorrow. How bad is the problem? The World Council of Churches says about 100,000 people are affected by an acute food shortage in Moscow alone.

NBC's Jim Maceda reports some Soviet food shopkeepers don't believe international food aid will help; bureaucracy will just get in the way. Many potential donors, including the U.S. government, are asking if aid will get to the really needy. Four problems scare donors away: Black marketeering and pilfering; panic buying; a distribution system breaking down completely; and political sabotage by opponents of President Gorbachev's reforms. (NBC-4)

KGB

Jennings reports the head of the KGB went on television to warn that foreign groups are supporting extremist radicals trying to undermine public order. No specific groups were named. (ABC-5)

Brokaw reports the KGB head vowed to prevent the country's collapse and preserve its transition to democracy, and to "formally guard security, legality, law and order." (NBC-5)

SOVIET GEORGIA

Jennings reports that a semi-autonomous region in Soviet Georgia declared itself free from the main republic. But the Georgian parliament said today it is imposing central rule on the region in a bid to stop the rebellion. (ABC-6)

ALBANIA

Jennings reports Albania announced opposition political parties will soon be legalized for the first time. (ABC-7)

S. AFRICA

Brokaw reports at least 37 people were killed in a new explosion of tribal violence in South Africa today. (NBC-6)

TRADE DEFICIT

Brokaw reports that the U.S. trade deficit is now almost \$26 billion, the biggest imbalance this year. (NBC-10)

-more-

BANK EARNINGS

Jennings: Another warning about the health of the banking industry: The earnings of commercial banks in the third quarter of this year were down 29 percent from the previous three months. Federal regulators say that means the fund which guarantees bank deposits will sink to its lowest level ever, and may force the banks to kick more money into the fund. (ABC-12)

TRADE/COMMENTARY

NBC's John Chancellor reports that the last-minute scuttling of the trade talks by the Europeans, who gave in to the demands of their subsidized farmers and then blamed the U.S., blurs the vision of the new world order that President Bush has spoken of. This could lead to decades of protectionism and endanger cooperation with EC. The world desperately needs market freedom and increased trade, but the Europeans slammed the door. (NBC-11)

TOBACCO/YOUTH

ABC's Bill Greenwood reports that the Tobacco Industry said today it doesn't want young people to light up. (Brennan Dawson, Tobacco Institute: "If another child never picks up a cigarette, that would be fine with the cigarette industry.") Industry ads in today's major newspapers support a minimum legal age requirement of 18 or older, and restricted access to vending machines. The industry is also providing a brochure to help teens deal with peer pressure. But the industry never says smoking is unhealthy. Congress and several states are considering legislation which could hurt the industry by banning vending machines and forbidding tobacco companies from sponsoring sporting events. The industry denies it is trying to head off new laws. One critic says by giving an inch today, cigarette makers could delay new regulations for a decade. (ABC-8, CBS-6)

HEART VALVE

Jennings reports the Pfizer company said today some heart valves received by about 23,000 people during open heart surgery before 1986 could be defective and could break without warning.

ABC's George Strait reports that in 1986, the FDA ordered the manufacturer to stop implanting new devices, and to warn recipients and their doctors. But only now, four years later, is the company launching the notification process. The FDA says the slick information package sent to heart surgeons looks like junk mail instead of an urgent medical warning. (ABC-9)

AIR BAGS

NBC's Robert Hager reports that with almost 5 million airbags in U.S. cars, lives are being saved and there are no reports of big problems. The Transportation Department believes airbags have already saved at least 200 lives. (NBC-8)

THE WHITE HOUSE
WASHINGTON

✓ 12/12/90

Gampy,

Thank you so much
for taking time to:

① take a picture with
my babysitter when you
were rushing out

AND

② shaking hands with
the students from the
Capital Children's Museum
unexpectedly when you
arrived at the North Portico

I truly do appreciate
it. You're a special guy...

I love you,
Margaret

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE: 12-12-90

TIME: 8 AM

incoming/outgoing

WITH: Sec. Cavaros

SUBJECT: resignation -

talk to John last nite

Dec. 15th effective

talk Saturday

appreciated your support

FOLLOW UP: None

I offer him any
help

He's a big man

Bush Presidential Library Photocopy

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03. Note	From George Bush to Patty Re: CFC (1 pp.)	12/12/90	C	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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

12/12/90

THE WHITE HOUSE
WASHINGTON

Dear Dick

Dear Colin

Dan Jenkins ^{12/12}

~~Dear~~
friend - author
has his finger on
the pulse of
the grass roots -
in country in South
- SW. ~~12/12~~

Bush Presidential Library Photocopy

Bush Library Photocopy
George Bush Handwriting

THE WHITE HOUSE
WASHINGTON

12/12/90

You may recall
his books
Semi-Tough etc.
Dwyer he has
nice things to say
about you. He's
ever pleasant
about me.

Bush Presidential Library Photocopy

THE WHITE HOUSE
WASHINGTON

12/12/90

copy of
Dan Jenkins
letter to
DC + CP

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.
04. Note	Handwritten notes of Presidential Phone call with JAB [James A. Baker, III] Re: JAB-Chase-Brent talk (1 pp.)	12/12/90	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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]
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 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

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

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

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
05. Note	From Dick Cheney to President Bush (2 pp.)	12/12/[90]	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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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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]
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TALKING POINTS FOR THE CABINET MEETING
December 11, 1990

I. PRAYER

- o Secretary Mosbacher

II. INTRODUCTION

- o I have two items to mention at the beginning:
- o First, I want to acknowledge the fine work of our team in Brussels at the Uruguay Round meetings. Carla Hills, Bob Mosbacher, Clayton Yeutter, Rod D'Arment, Roger Porter and many others -- including State, Treasury and Transportation officials -- did a superb negotiating job.

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George Bush Handwriting

- Of course we were disappointed at not being able to overcome the agriculture problem. As I said from the outset, however, I would rather have no deal than a poor deal.
- I have asked our team to report back to me on where we go from here, but I hope we can find a way to restart the negotiations.
- I also want to mention briefly the 1990 Combined Federal Campaign, which wraps up in January. Manuel Lujan has done an excellent job of heading this very important effort.

- o Later today he will announce that the CFC has already raised \$27 million -- over 87 percent of our 1990 goal. Please do all you can at your department to help us go over the top in the next few weeks.

III. GULF UPDATE

- o Since our last Cabinet Meeting I have been on the road quite a bit internationally. First in Prague, in Paris for the CFE Treaty and CSCE conference, and the Persian Gulf at Thanksgiving. Then with President Salinas in Mexico and last week to South America.

[You may wish to share with the Cabinet your observations about this travel]

- o Also in the interval we had the terribly important U.N vote on the use of force, and our diplomatic offer for meetings that I assure you will not be negotiating sessions. And now the encouraging release of the hostages.
- o I must say that I am very encouraged by the strength of the international community's resistance to Saddam Hussein's aggression. We do need to shore up Congressional support.
- o In addition, we are working to sharpen and closely coordinate our communications efforts. Dave Demarest is heading up a new communications task force that includes interagency participation.

- o I am not trying to mint a legion of foreign policy spokesmen, but I do think it is important that each of you has a clear understanding of the fundamentals -- what is at stake in the Gulf, what we are trying to achieve, and where we stand.
- o I am grateful for any help you can give me in getting our basic message to the American people in your speeches and public appearances.
- o Jim Baker returned this morning from meetings in Houston with Soviet Foreign Minister Shevardnadze. I have asked Jim to lead off with a Gulf status report.

- o Dick, do you have an update about our forces in the region? Colin?
- o Jim Watkins is also recently back from the region and sent me a valuable report on his energy discussions. Jim, is there anything you would add?
- o Brent, anything from NSC? Fred, anything you would add about the Congressional angle?

IV. DOMESTIC POLICY, STATE OF THE UNION AND POLITICAL UPDATE

- o John is going to give us a preliminary overview of where we are headed domestically with the State of the Union and the domestic agenda. He also has a brief political update.

#

- And as I told the American people, if we must use force, and again while I hope we won't, it will be decisive. There will be no more Vietnams in any sense.
- Last, just let me add that I am extremely happy that we have the hostages back. But no one should think for a moment that this lessens my determination to succeed. It does not, and we will succeed.

Persian Gulf Talking Points for Cabinet Meeting

- I just wanted to begin with a few words on the situation in the Gulf.
- As Dick Cheney will be able to tell you, we continue to put into place military forces that would be needed to give us a decisive capability.
- And thanks to Jim Baker's efforts, we also have in place 12 Security Council Resolutions, including the last one, 678, that authorizes us to use all necessary means to bring about full and unconditional Iraqi withdrawal from Kuwait.
- The international coalition remains strong. We are having a bit more difficulty on the home front, but I remain confident that we will not be constrained from doing what we must. I

only hope that Saddam does not conclude from CNN and the hearings that we are too weak and divided to act. If he does, it will be a serious mistake on his part.

-- It is my hope that we won't have to go to war, and that these twin preparations will persuade Saddam to get out. I will also use the upcoming meeting here with Foreign Minister Aziz to bring home the point that Iraq faces devastating destruction unless it complies fully with the UN demands.

-- If we succeed, we will face the challenge of ensuring that Iraq cannot threaten its neighbors again. I am not interested in returning to the status quo ante. We will need to take steps to strengthen our friends and we will need to keep in place sanctions designed to limit Iraqi conventional and unconventional capabilities.

STATEMENT BY THE PRESIDENT

4PM
Rose Gaudin
TAB - Fort
Shel - GB
12-12

I HAVE JUST HAD AN OPPORTUNITY TO DISCUSS WITH FOREIGN MINISTER SHEVARDNADZE A NUMBER OF ISSUES IN U.S.-SOVIET RELATIONS, INCLUDING OUR COOPERATION IN THE GULF. I AM PLEASED WITH THE GREAT PROGRESS WE HAVE MADE ON START, AND HOPEFUL THAT WE WILL BE READY TO SIGN A TREATY AT A SUMMIT IN MOSCOW ON FEBRUARY 12-13. WE ALSO TALKED AT LENGTH ABOUT THE SITUATION IN THE SOVIET UNION AND THE RESPONSE OF THE UNITED STATES TO THE ECONOMIC PROBLEMS THERE. I ASKED MINISTER SHEVARDNADZE TO CONVEY TO PRESIDENT GORBACHEV MY DESIRE TO

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George Bush Handwriting

- 2 -

RESPOND BOTH TO THE SHORT-TERM NEEDS OF THE SOVIET UNION AND TO CONTRIBUTE TO FUNDAMENTAL ECONOMIC REFORM.

WE DISCUSSED FRANKLY THE RELATIONSHIP OF ECONOMIC CHANGE IN THE SOVIET UNION TO THE CRITICAL TASK OF DEMOCRATIZATION. I REITERATED OUR STRONG DESIRE TO SEE BOTH POLITICAL AND ECONOMIC REFORM CONTINUE BECAUSE THEY ARE INEXTRICABLY LINKED.

I OUTLINED SPECIFIC AND IMPORTANT STEPS THAT WE ARE WILLING TO TAKE IN SUPPORT OF REFORM. I TOLD MINISTER SHEVARDNADZE THAT

(After consulting closely w/ Sec. Venter, as well as Secretaries Baker and Brady)

Bush Presidential Library Photocopy

I AM PREPARED TO RESPOND TO A SOVIET
REQUEST FOR CREDIT GUARANTEES FOR PURCHASE
OF AGRICULTURAL COMMODITIES THROUGH A
WAIVER OF THE JACKSON-VANIK AMENDMENT.
WHILE I HAVE TAKEN THIS STEP, I STILL LOOK
FORWARD TO PASSAGE OF A SOVIET EMIGRATION
LAW CODIFYING THE GENERALLY EXCELLENT
PRACTICES OF THE PAST YEAR. THIS WILL
PERMIT US TO MAKE FURTHER PROGRESS TOWARD
THE NORMALIZATION OF THE U.S.-SOVIET
ECONOMIC RELATIONSHIP.

IN ADDITION, WE HAVE PROPOSED TO THE
SOVIETS A SPECIAL TECHNICAL ASSISTANCE

PROJECT TO HELP IN ASSESSING THEIR FOOD DISTRIBUTION PROBLEM AND TO SUPPORT MARKET REFORMS.

I WILL ALSO AUTHORIZE A JOINT PUBLIC-PRIVATE MEDICAL ASSISTANCE EFFORT TO HELP THE SOVIET UNION COPE WITH IMMEDIATE SHORTAGES OF PHARMACEUTICALS AND BASIC MEDICAL SUPPLIES.

IN THE LONGER TERM, ONLY STEPS THAT THE SOVIET UNION ITSELF TAKES CAN ASSURE ITS ECONOMIC HEALTH. THUS, TO PROMOTE FUNDAMENTAL ECONOMIC REFORM, I WILL PROPOSE THAT THE WORLD BANK AND IMF WORK OUT WITH

THE SOVIET UNION A SPECIAL ASSOCIATION TO GIVE THE USSR ACCESS TO THE CONSIDERABLE FINANCIAL AND ECONOMIC EXPERTISE OF THOSE INSTITUTIONS. I HAVE ASKED SECRETARY OF THE TREASURY BRADY, AS U.S. GOVERNOR OF BOTH INSTITUTIONS, TO PURSUE THIS PROPOSAL WITH THEM AND WITH OUR ALLIES.

AS I HAVE SAID BEFORE, I WANT PERESTROIKA TO SUCCEED. THE SOVIET UNION IS FACING DIFFICULT TIMES. BUT I BELIEVE THAT THIS IS A GOOD REASON TO ACT NOW IN ORDER TO HELP THE SOVIET UNION STAY THE COURSE OF DEMOCRATIZATION AND TO UNDERTAKE MARKET

REFORMS. THE UNITED STATES HAS AN INTEREST IN A SOVIET UNION ABLE TO PLAY A ROLE AS A FULL AND PROSPEROUS MEMBER OF THE INTERNATIONAL COMMUNITY OF STATES. I AM HOPEFUL THAT THESE INITIATIVES WILL FURTHER THAT GOAL.



UNITED STATES DEPARTMENT OF EDUCATION

THE SECRETARY

December 12, 1990

The President
The White House
Washington, DC 20500

Dear Mr. President:

I, Lauro F. Cavazos, hereby resign as United States Secretary of Education, effective close of business, December 15, 1990.

I appreciate the opportunity to work with the Administration in helping to further its goals toward excellence in education. I am especially proud of the contributions I was able to make in expanding choice in education, promoting the Executive Order on Excellence in Education for Hispanic Americans, and raising awareness of the growing diversity of America's student population.

I have only the greatest expectations and highest hopes that each child in America will be educated to his or her fullest potential.

Respectfully,


Lauro F. Cavazos

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS

December 12, 1990

To: The President
From: Mike Boskin *MB*
Re: November Retail Sales

Retail sales fell 0.1 percent in November even before accounting for inflation. This is roughly what was expected. Real consumer spending will be down considerably in the fourth quarter. As I have been saying for some time, I expect the current quarter to be the worst decline in GNP. There are likely to be another one or two quarters of slightly negative growth, but not as bad as the fourth quarter downturn.

Michael J. Boskin
Chairman

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

December 12, 1990

MEMORANDUM FOR THE PRESIDENT

FROM: MICHAEL J. BOSKIN *MJB*

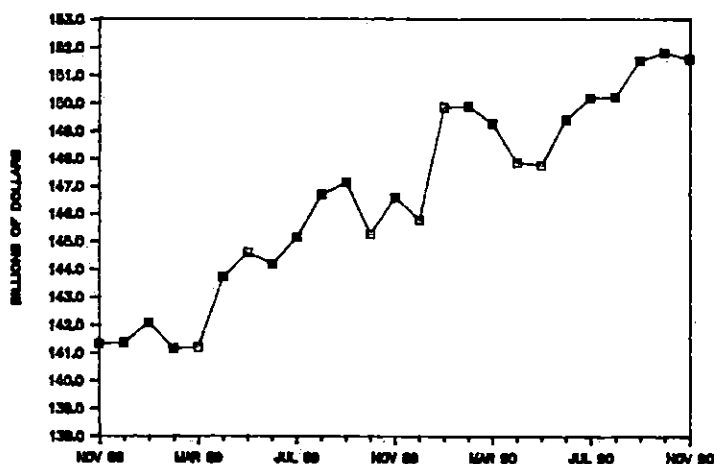
SUBJECT: November Retail Sales, Commerce Department
Release, Tomorrow, 8:30 a.m.

Retail sales fell 0.1 percent in November, following a 0.2 percent rise in October. November's decline was smaller than the 0.5 percent decline predicted by private analysts. Compared with November 1989, sales were up 3.4 percent, but were down after adjusting for inflation.

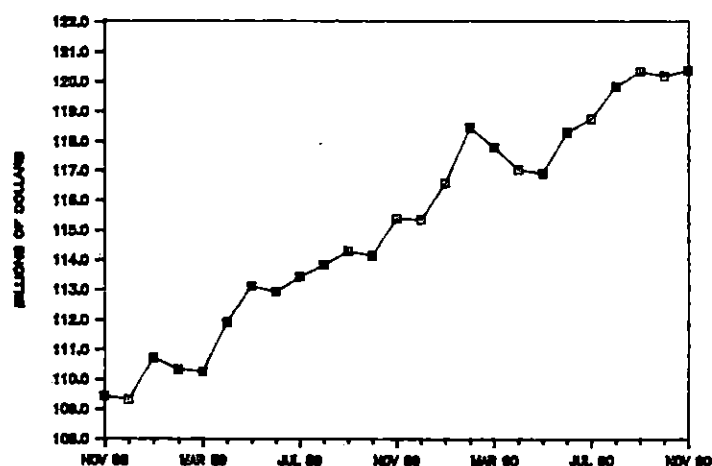
Sales of durable goods fell 1.4 percent in November, led by declines in autos and building materials, hardware, garden supplies and mobile homes. Sales of furniture and household equipment rose 0.3 percent, after declining in October.

Nondurable goods sales rose 0.5 percent with most categories showing increases. Food and apparel sales rose in November, after declining in October. Sales at gasoline service stations rose 0.7 percent after October's sharp 2.6 percent rise. The rise in gasoline sales over the last few months mostly reflects the run-up in gasoline prices, and is not a sign of consumer spending strength.

TOTAL RETAIL SALES



RETAIL SALES EX AUTOMOTIVE

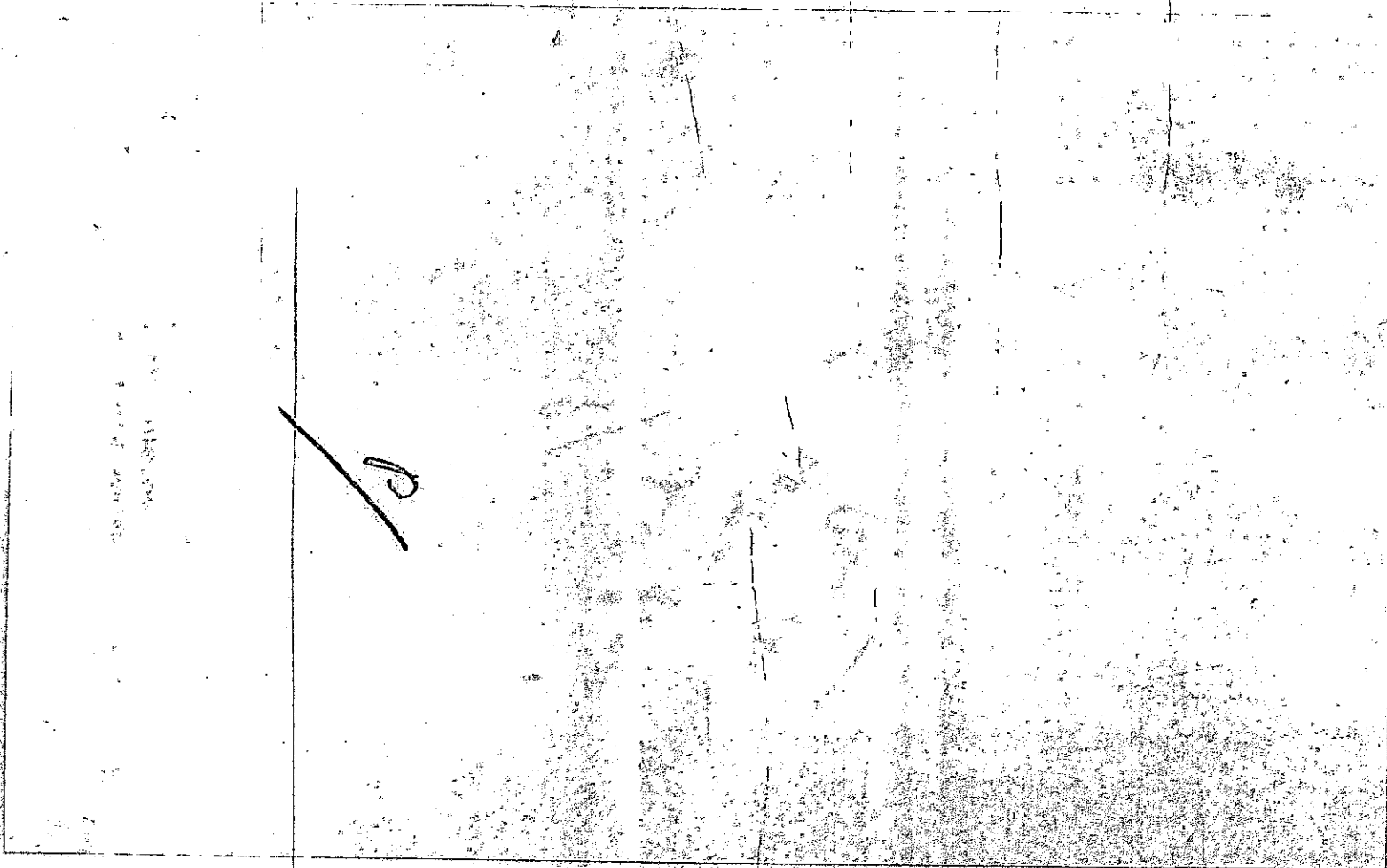


THE WHITE HOUSE
WASHINGTON

12/12/90

P/
send me
letter from
Dan Jenkins

done



DAN • **JENKINS**

Dear Mr. President-

What a great job you are doing and what a great job Cheney, Powell and Baker are doing. With men like all of you, how can America fail to do the right thing? As your basic average guy watching C-Spann, I can't tell you what a pleasure it is to see Cheney and Powell speaking directly, quickly, honestly and with all the facts at hand to the armed services committee. This in contrast to the Keating hearing, where everybody is trying to explain why he did or did not go for a two-point conversion.

The last time you saw me, I was on a golf course. The last time my wife saw me, I was at the typewriter, and still am, chained to it, trying to finish my new novel. The title is YOU GOTTA PLAY HURT (not a bad title for your job) and it's about a year in the life of a sportswriter. Funny as hell, if you want the truth, and you will receive the first copy off the press early next fall.

Meanwhile, I hope you realize that you are in serious danger of being a great President.

If this is doing a lot of damage to your golf, I guess it's the price we have to pay.

June and I hope you and Barbara have happy holidays despite the silly old world out there.

Warm regards,



**HANUKKAH CEREMONY \ ROOM 450
WEDNESDAY, DECEMBER 12, 1990 \ 11:30 A.M.**

**THANK YOU, RABBIS, FOR THE GIFT OF THIS LOVELY
MENORAH. AND IT'S WONDERFUL TO SEE THAT THE STUDENTS
OF GESHER JEWISH DAY SCHOOL COULD JOIN US TODAY TO SING
FOR US. BARBARA AND I -- AS WELL AS THE VICE PRESIDENT
AND MRS. QUAYLE -- WOULD LIKE TO WELCOME EVERYONE TO
THE WHITE HOUSE FOR THE SECOND YEAR OF OUR WHITE HOUSE
HANUKKAH CELEBRATIONS.**

- 2 -

**HANUKKAH IS A HOLIDAY OF HOPE, FOR IT SHOWS US THE
GLORY OF GOD IN OUR OWN LIVES AND THE POWER OF MIRACLES
IN THE WORLD. LAST YEAR AT THIS CEREMONY, WE SPOKE OF
OUR EFFORTS TO HELP VLADIMIR RAIZ [RY-EEZ] AND OTHER
BRAVE REFUSENIKS LEAVE THE SOVIET UNION. BY PASSOVER,
HE WAS A FREE MAN.**

**BUT THE STORY DOESN'T STOP THERE -- IN ADDITION TO
ZEV RAIZ, MORE THAN 150,000 SOVIET JEWS EMIGRATED THIS
YEAR, TO NEW HOMES AND NEW LIVES OF LIBERTY AND
DIGNITY.**

- 3 -

IN FACT, I UNDERSTAND TWO CHILDREN WITH US TODAY FROM THE GESHER JEWISH DAY SCHOOL, LIDIA [LID-JA] SHESTOPALOVA [SHESS-TOE-PA-LOW-VA] AND ALEX VEYTSMAN [VITES-MAN] HAVE RECENTLY ARRIVED FROM THE SOVIET UNION. AS WE WELCOME YOU TO THIS COUNTRY, WE CONTINUE TO PRAY FOR ALL THOSE STILL SEEKING FREEDOM.

- 4 -

THE ANCIENT STORY OF THE FIRST HANUKKAH IS ONE OF VICTORY OVER PERSECUTION, AGGRESSION, AND INTOLERANCE -- BUT THE STRUGGLE HAS CONTINUED FOR YOUR PEOPLE THROUGH THE CENTURIES. IN FACT, THE FIRST WAVE OF JEWISH IMMIGRANTS CAME TO THIS COUNTRY -- AS EARLY AS 1654 -- TO LIVE A LIFE FREE FROM INTOLERANCE AND PERSECUTION.

TWO HUNDRED YEARS AGO, GEORGE WASHINGTON WROTE A LETTER TO A JEWISH CONGREGATION IN NEWPORT, RHODE ISLAND, IN WHICH HE SAID THE UNITED STATES GOVERNMENT WOULD GIVE "TO BIGOTRY NO SANCTION, TO PERSECUTION NO ASSISTANCE." IN THIS NEW COUNTRY, WASHINGTON SAID, "EVERY ONE SHALL SIT IN SAFETY UNDER HIS OWN VINE AND FIG TREE, AND THERE SHALL BE NONE TO MAKE HIM AFRAID."

THESE WORDS EMBODY THE AMERICAN IDEAL OF FREEDOM OF WORSHIP, AN IDEAL THAT WE REAFFIRM HERE TODAY AND THAT WE PASS ON TO THE GENERATIONS TO FOLLOW US.

I UNDERSTAND THESE CHILDREN ARE READY TO SING FOR US, AND I'M LOOKING FORWARD TO IT. ONE WORD OF WARNING: I WAS PRETTY GOOD LAST YEAR WITH THE DREYDEL -- PURELY BEGINNER'S LUCK. THIS YEAR, HOWEVER, I'VE BEEN PRACTICING.

SO LET'S HEAR A FEW SONGS AND THEN, I'LL TAKE ON ALL COMERS. // AGAIN, THANK YOU FOR COMING TO THE WHITE HOUSE, AND THANKS TO THE GESHER JEWISH DAY SCHOOL FOR ENTERTAINING US. HAPPY HANUKKAH TO EVERYONE.

**HANUKKAH CEREMONY \ ROOM 450
WEDNESDAY, DECEMBER 12, 1990 \ 11:30 A.M.**

**THANK YOU, RABBIS, FOR THE GIFT OF THIS LOVELY
MENORAH. AND IT'S WONDERFUL TO SEE THAT THE STUDENTS
OF GESHER JEWISH DAY SCHOOL COULD JOIN US TODAY TO SING
FOR US. BARBARA AND I -- AS WELL AS THE VICE PRESIDENT
AND MRS. QUAYLE -- WOULD LIKE TO WELCOME EVERYONE TO
THE WHITE HOUSE FOR THE SECOND YEAR OF OUR WHITE HOUSE
HANUKKAH CELEBRATIONS.**

- 2 -

**HANUKKAH IS A HOLIDAY OF HOPE, FOR IT SHOWS US THE
GLORY OF GOD IN OUR OWN LIVES AND THE POWER OF MIRACLES
IN THE WORLD. LAST YEAR AT THIS CEREMONY, WE SPOKE OF
OUR EFFORTS TO HELP VLADIMIR RAIZ [RY-EEZ] AND OTHER
BRAVE REFUSENIKS LEAVE THE SOVIET UNION. BY PASSOVER,
HE WAS A FREE MAN.**

**BUT THE STORY DOESN'T STOP THERE -- IN ADDITION TO
ZEV RAIZ, MORE THAN 150,000 SOVIET JEWS EMIGRATED THIS
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Bush Library Photocopy
George Bush Handwriting

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Washington Window

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(Commentary)

Bush as a communicator

By HELEN THOMAS

UPI White House Reporter

WASHINGTON (UPI) President Bush is the most accessible president in recent history from the standpoint of holding news conferences early and often.

He has had well over 80 formal full dress news conferences and more than 40 informal "scrums," a term borrowed from the Canadians, in which he has submitted to interrogation.

He does not resist communicating, except under certain circumstances, shunning most of the time, but not all, questions in the Oval Office during a picture-taking session.

Generally, he has bitten the bullet and submitted to cross-examination from reporters. Granted, like his predecessors, he prefers to hold news conferences when the news is good and going his way. But that's par for the course.

It must be frustrating for the president when he is constantly being told in print that he has not explained his reasons for sending 400,000 troops to the Persian Gulf. But he keeps trying.

The news conference is his style. He is confident that he can field any question thrown at him, although some questions have evoked painful emotion, such as when he was asked about the problems of his son, Neil Bush, in the savings and loan scandal.

He also has displayed irritation when asked why he does not want Congress to meet and to exercise its constitutional right to declare war.

But he has the rare quality of seeming to ever enjoy holding news conferences. He calls them as he sees them and they run as long as he desires, much to the delight of reporters who come in from the cold and do not cover the White House regularly but get a crack at him during 45-minute sessions.

Since his news conferences are often informal get-togethers at his behest when he has something to say, he usually winds up by saying, "I'll take two more questions." Often that leads to six more questions. But that's fine with reporters.

Unlike President Reagan, whose aides totally managed and controlled his appearances, much to his detriment, Bush finds news conferences his best way of communicating.

Reagan would be given briefing books the size of telephone books to prepare for what was tantamount to taking an oral examination for a Ph. D. He also would have a rehearsal in the White House theater in the afternoon before a formal East Room evening news conference.

In those sessions, Reagan would often show his true feelings and his gifted sense of humor. But such occasions were all too rare. He held an average of about six news conferences a year.

But Reagan's news conferences were viewed by millions more because they were held in prime time, a period when they could watch television. Bush's press conferences are usually held during the day when shut-ins and retirees have more chance to watch, although, segments are always shown on the nightly news.

The president's image makers have decided, however, that they want all the camera focus on the president. They have told the networks that only one camera will be allowed to take the news conference, thus eliminating any shots of his top aides on the sidelines and their varying expressions and the reporters asking the questions.

All this is perhaps the way he makes up for Oval Office speeches that audiences compare unkindly to Reagan's performances honed for 50 years before before a Hollywood camera and microphone.

The good news is that the president wants to have his say. With all due respect to press secretary Marlin Fitzwater, a pro who keeps his cool and is quick on his feet, for any reporter who covers the White House that is 100 percent better than any mouthpiece or spokesman on the podium trying to explain what the president thinks and means. It's much better to get it from the horse's mouth. And he does not have to worry about being overexposed.

adv fri dec 14

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06. Notes	Handwritten notes of Meeting between U.S. and USSR (2 pp.)	n.d.	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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

PARTICIPANTS

U.S.

The President

The Vice President

James A. Baker, III, Secretary of State

John H. Sununu, Chief of Staff

Brent Scowcroft, Assistant to the President for National Security Affairs

Ambassador Jack Matlock, U.S. Ambassador to the Soviet Union

Robert M. Gates, Assistant to the President and Deputy for National Security Affairs

Condoleezza Rice, Special Assistant to the President for Soviet Affairs

Dennis Ross, Director for Policy Planning, Department of State

Raymond Seitz, Assistant Secretary of State for European and Canadian Affairs

Peter Asanenko, Interpreter

MR. ZOELICK, COUNSELOR FOR STATE DEPT

USSR

Eduard Shevardnadze, Minister of Foreign Affairs

Alexander Bessmertnykh, Ambassador to the U.S.

Aleksey Obukhov, First Deputy Minister of Foreign Affairs

Sergey Tarasenko, Chief, Evaluation and Planning Administration, MFA

Georgiy Mamedov, Chief, USA and Canada Administration, MFA

Teymuraz Stepanov, Aide to Shevardnadze

Pavel Palazhchenko, Interpreter

MR. CHURKIN, SPOKESPERSON FOR MFA

THE WHITE HOUSE
WASHINGTON
December 11, 1990

MEMORANDUM FOR THE PRESIDENT

FROM: C. BOYDEN GRAY *MB*
SUBJECT: War Powers and the Persian Gulf

It remains my view, as stated in my August 7 memorandum to you on the subject, that you have ample authority under the Constitution to order military operations against Iraq, even in the absence of a further provocation by Iraq or action by Congress affirmatively authorizing such operations. So long as such operations are in self-defense of U.S. national interests, there is no merit to claims that Congress's constitutional authority to declare war requires you to obtain congressional authorization before ordering such operations. (Oddly, while important to the justification for the use of force under international law, the U.N. Security Council resolutions do not themselves provide much justification as a matter of domestic U.S. constitutional law for any "attack from a cold start.")

It is important to emphasize the point, made by Stephen Carter among others, that it was Iraq's aggression, not actions by the United States or the United Nations, that initiated the current crisis, and that any action we take will be a defensive response to that aggression. Thus, while you might order a military response without additional provocation by Iraq, that response should not be considered an "attack from a cold start" in the broadest view of what has been happening in the Persian Gulf.

The principal impact of the War Powers Resolution in this situation is to provide a purported 60-day limit on the use of U.S. forces in the Persian Gulf once hostilities begin or become imminent, absent an authorizing congressional resolution. Apart from consultation and reporting requirements, the War Powers Resolution contains no restriction on the use of U.S. forces for the first 60 days after they are introduced into hostile situations.¹ If hostilities last beyond 60 days, Congress will

¹While the War Powers Resolution does not restrict the introduction of U.S. forces into hostile situations for the first 60 days, it cannot be read as a grant of authority to the President to conduct combat operations for that period of time. The Resolution states that nothing in it "shall be construed as granting any authority to the President with respect to the introduction of United States Armed Forces into hostilities or into situations wherein involvement in hostilities is clearly indicated by the circumstances which authority he would not have had in the absence of [the] resolution."

likely feel compelled to pass an authorizing resolution. Congress has passed such a resolution only once before. In 1983, of its own initiative, Congress passed a resolution authorizing continued U.S. participation in the Multinational Force in Lebanon. In the same resolution, however, Congress imposed significant restrictions on President Reagan's freedom of action. President Reagan protested that he did not need authorization under the War Powers Resolution because hostilities were not imminent and therefore the 60-day clock had not been triggered, but Congress disagreed, and in order to preserve its position insisted on enacting an authorizing resolution. (President Reagan signed the resolution into law, but issued a signing statement saying, in effect, "I don't need this resolution, but I appreciate Congress's support for my policy.")

You have raised the question generally whether you have exhausted your responsibilities to Congress, and more specifically, whether you should send a letter to Congress a few days before any fighting were to begin saying "hostilities may be imminent now" and then pointing to any subsequent inaction by Congress as acquiescence. Before addressing the question, it should be noted that you will have at least three bases for claiming meaningful political acquiescence by Congress in whatever steps you choose to take after January 15.

First, in a number of recently-enacted bills Congress has authorized and appropriated funds specifically for the Persian Gulf operation, created new procedures for accepting financial contributions to the effort, and exempted the cost of the operation from the budget summit ceilings. These bills were suitable vehicles for Congress to impose restrictions on the operation, or at least express reservations about it, but Congress chose not to do so.

Second is the fact that, in contrast to its treatment of Lebanon, Congress has accepted your assertion that hostilities are not now "imminent" within the meaning of the War Powers Resolution. Congress therefore effectively has waived any argument it might have that the 60-day clock was triggered by the deployment itself. (See the attached article by Gordon Crovitz at Tab A).

The third basis for claiming congressional acquiescence is Secretary Baker's testimony last week, combined with your press conference invitation to Congress to seek to reconvene. Baker's statements put Congress on notice that force is likely to be used if the crisis is not resolved by January 15th. Significantly, Congress has not responded with anything stronger than a vote of the House Democratic Caucus urging you to obtain congressional approval before initiating offensive military operations. No effort has been made by Congress to reconvene itself under the constitutionally-dubious procedure contained in the adjournment resolution. To the contrary, the leadership has indicated to you

that they do not want to be reconvened in the wake of the U.N. Security Council vote authorizing the use of force against Iraq.

Against this background, we have little to gain, and much to lose, by providing notice to Congress that hostilities are imminent in the Persian Gulf. Such notice would trigger the War Powers Resolution's 60-day clock before the actual outbreak of hostilities, virtually requiring Congress to pass a resolution on the subject within 60 days, lest its inaction either compel withdrawal of U.S. forces from the region, or create a precedent for military deployments in violation of the War Powers Resolution. Providing such notice would be contrary to the historic position of the Executive branch that the War Powers Resolution is unconstitutional, and would create an unwelcome precedent in future situations where we might contemplate launching military operations. It would set up a constitutional confrontation if Congress failed to act within 60 days, and would invite statutory restrictions on our flexibility if Congress did act.²

To the extent that any notice would strengthen our claim that Congress acquiesced in a military solution, we can reap the same benefit by sending a letter to Congress, not under the War Powers Resolution, emphasizing our determination to enforce the U.N. Security Council resolutions after January 15. Such a letter essentially would reiterate Secretary Baker's testimony that hostilities, while not imminent, are likely if Iraq does not comply with the resolutions. Such a letter might provide a fourth basis for claiming congressional acquiescence without running the risks under the War Powers Resolution associated with notice of imminent hostilities.

Beyond such a letter, the only other politically tenable course of action would be to ask Congress formally to endorse the U.N. Security Council resolution authorizing the use of force. Congress might seek to attach restrictions to its endorsement, but you could threaten to veto any endorsement that was equivocal or sought to micromanage your policy and seek in lieu thereof a declaration of war. Because a declaration of war would confer on you powers that you do not need in the current crisis, Congress (and you) should be reluctant to take such a step.

While I initially supported the idea of a joint resolution authorizing force (as a political matter, not as a legal or constitutional requirement), I am now not at all sure this is necessary, given your invitation and Congress's reluctance to reconvene. I believe the public believes the ball is in

²Of course, even without a letter, the actual initiation of hostilities will, as noted above, probably create a Lebanon-type situation and force Congress's hand if the hostilities last more than six weeks or so.

Congress's court to reverse its acquiescence, as evidenced by the recent Newsweek poll finding that 54% of the public believes Democrats who question your policy do so for partisan political purposes, compared to 32% who think such critics are genuinely concerned about the national interest (Tab B). Congressman Solarz's reaction to recent events (Tab C) is further evidence of the politics of the issue.

Korea, of course, remains an example of similar acquiescence by Congress. As explained in Dean Acheson's memoirs (Tab D), President Truman decided not to seek a formal congressional endorsement of the Korean War not only because he regarded it as legally unnecessary, but also because he feared that the attendant criticism of his policy in Congress might do more harm than good.³

As a final observation, I should mention a comment Henry Kissinger made to me at a dinner recently. More important than obtaining congressional support, he said, is achieving a quick victory. President Johnson's escalation of U.S. involvement in Vietnam coincided with his intervention in the Dominican Republic, Kissinger recalled. Congress endorsed the Vietnam policy but not the Dominican intervention. Johnson's success in the Dominican Republic silenced criticism of that policy, but the Tonkin Gulf Resolution did not insulate him from criticism of the failure in Vietnam.

Attachments

Tab A	<u>Wall Street Journal</u> article by Gordon Crovitz
Tab B	Results of <u>Newsweek</u> poll on Persian Gulf
Tab C	<u>Washington Post</u> article quoting Congressman Solarz
Tab D	Excerpt from <u>Present at the Creation</u> by Dean Acheson

³I think this answers your questions. You have fully involved Congress, or at least invited their involvement. Seeking a resolution now could tie your hands. The U.N resolutions help politically, but are of relatively little help constitutionally. And finally, I think the most important action relating to Congress as January 15 approaches is intensified daily consultation by phone with the leadership. Further, in order to highlight that consultation, you might consider a more dramatic event such as a day-long retreat with the leadership at Camp David to discuss U.S. options.

Lawsuit Offensive Against the Commander in Chief

"What kind of wacky world is this where the President is taken to court every time he moves our troops around in the national interest? Sometimes a President must take risks for peace, and he doesn't need to be blocked every step of the way."

So said George Bush in 1987 as he campaigned for the position of Defendant of the Free World. Now he faces some wacky legal theories about why he can't—can't, not just shouldn't—pursue his Persian Gulf

Rule of Law

By L. Gordon Crovitz

policy. The notion is that he can't legally deploy troops, or maybe he can deploy them but only if he rotates them, or maybe only if he promises not to use them unless Sam Nunn throws the first grenade.

The legal battle against the Commander in Chief has at least put the War Powers Resolution out of its misery. This law said that troops must come home 60 days after a president sends them into "imminent" hostilities unless Congress votes to approve the deployment. Despite Mr. Bush and Congress agreeing to pretend nothing is imminent, there has been a real risk of war since the troops arrived in Saudi Arabia in early August. The 60-day clock has now run out, twice. WPR, RIP.

Indeed, the 54 liberal Democrats who brought the lawsuit *Dellums v. Bush*, which was argued yesterday, did not bother to rely on the resolution. Instead, Rep. Ron Dellums et al. want a court order "enjoining defendant George Bush from launching or initiating an offensive military attack" unless there is a declaration of war "or other explicit authorization from the Congress," whatever this means. There are two problems with this lawsuit: its legal arguments and the spectacle of

congressmen who don't have the courage to vote against Mr. Bush's policy begging a federal judge to do it for them.

The lawsuit runs counter to two centuries of practice by presidents and Congress. We've had five declared wars, but presidents have dispatched troops or war supplies abroad more than 200 times. Presidents acted without any congressional approval in more than two-thirds of the cases. Examples include when President Jefferson sank the Barbary pirates, Franklin Roosevelt transferred warships to Britain despite U.S. neutrality and President Reagan liberated Grenada and raided Libya. Ironically, Congress indirectly authorized war against Iraq by approving the treaty that created the U.N., which has approved force.

The lawsuit relies on the constitutional clause that gives Congress the power to "declare" war. A good case can be made that this clause is evidence of the preeminent role in war for the president.

The original proposal at the Constitutional Convention was for a clause that would give Congress the power to "make" war. Instead, Congress only got the power to "declare" a formal and total state of war. Congress boosters try to minimize this change by saying this only gave presidents the power to repel sudden attacks.

Harold Koh, a Yale law professor, filed a brief signed by 11 law professors on behalf of the Dellums lawsuit. (They claim nonpartisanship but the best-known "conservative" among the 11 is Philip Kurland, famous for testifying against Robert Bork's nomination.) They argue that presidents cannot "make war without consulting with and gaining the genuine approval of Congress." They don't offer a definition for the litigation-inviting concept of "genuine approval."

The better argument, according to another Yale Law professor, Stephen Carter, is that the Framers distinguished between declaring and making war based on the

relative duties and capabilities of the two branches. The delegates who drafted the Constitution wanted to make sure they created a stronger executive branch than under the failed Articles of Confederation. They especially wanted a system that could run the military without legislators as commanders in chief.

Mr. Carter noted that "There was no mention of any 'sudden attack' limit on the president's power during the ratification debates." Instead, the change to "declare" from "make" came after delegates agreed that only the executive branch has the institutional ability to run a war.

Congress does have enormous power—if it decides to use it. "The system was designed very sensibly," Mr. Carter said. "The president can dispatch troops, but the Framers gave a way for Congress to

Why should congressmen who refused to vote against the Gulf deployment get to go to court?

react through its power over the purse. Congress can vote at any time to cut off funding." Congress defunded several unpopular wars in the 19th century.

It might be political suicide for Congress to abandon the troops in the Persian Gulf by defunding them, which is precisely why Congress won't do any such thing. The more general point is that voting for or against Mr. Bush's policy would lead to some accountability. This is why congressional leaders refuse to call Congress back into session to discuss the Gulf—their own version of, Hell, no, we won't go.

Indeed, despite the lawsuit almost all of the 54 plaintiffs voted in favor of a Pentagon funding bill that included \$2 billion specifically for Operation Desert Shield.

Why should congressmen who refused to vote against the Gulf deployment now get to go to court?

The most interesting part of the law professors' brief is relegated to a footnote, which says "[We] take no position on the plaintiffs' standing to bring their claims." Whether congressmen have any right to sue is a key issue in this litigation. If the plaintiff congressmen want to vote before an offensive begins, the problem is not a lack of time but of the courage of the congressional leadership.

There is some constitutional *deja vu*. At the beginning of the Korean War, President Truman decided not to call Congress back in session to approve his deployment of troops. Dean Acheson, his secretary of state, wrote in his memoirs that Truman didn't want to "establish any precedent in derogation of presidential power to send out forces into battle." Acheson's view of the mix of law and politics applies equally to today's debate.

"There has never, I believe, been any serious doubt—in the sense of non-politically inspired doubt—of the president's constitutional authority to do what he did," he wrote. He also noted that congressional approval "did not soften or divert the anti-war critics of Presidents Lincoln, Wilson, and Roosevelt" and that "What inspired the later criticism of the Korean war was the long, hard struggle, casualties, cost, frustration of a limited and apparently inconclusive war, and—most of all—the determination of the opposition to end seemingly interminable Democratic rule."

Mr. Bush might still decide to get a declaration of some kind from Congress, but for political and not constitutional reasons. Whatever Congress does, Mr. Bush will be held accountable for what happens or doesn't happen to Saddam Hussein. The members of Congress who hope to avoid responsibility altogether by getting a judge to take them off the hook give the courts good reason to decline this service.

Tab A

FINAL RESULTS

Tab B

DEC 10 '90 12:29 NEWSWEEK/COMM 212 350-4929

10. From what you have seen or heard about the Congressional hearings, do you think Democrats who question U.S. Persian Gulf policy do so more because of serious concern about the national interest, or more to make it a partisan political issue?

%	
32	Serious concern about national interest
54	Partisan politics
3	BOTH EQUALLY (VOL.)
11	DON'T KNOW
100	

11. I'm going to read to you some reasons people give for going to war against Iraq. Please tell me whether you think each is a good reason for the U.S. to go to war against Iraq or whether it is not a good reason to go to war? First,...[READ AND ROTATE]

		<u>Good Reason</u>	<u>Not a Good Reason</u>	<u>Don't Know</u>
a. To restore the former government of Kuwait back to power	Current 11/15-16	60 53	34 38	6 = 100 9 = 100
b. To prevent Iraq from ultimately attacking Israel	Current 11/15-16	57 53	36 39	7 = 100 8 = 100
c. To prevent Iraq from controlling a larger share of Mideast oil and threatening the U.S. economy	Current 11/15-16	60 57	36 38	4 = 100 5 = 100
d. To prevent Saddam Hussein from threatening the area with chemical and biological weapons	Current 11/15-16	78 76	20 21	2 = 100 3 = 100
e. To prevent Saddam Hussein from developing nuclear weapons	Current 11/15-16	70 71	26 25	4 = 100 4 = 100
f. To lower oil prices	Current 11/15-16	31 30	66 67	3 = 100 3 = 100

CRISIS IN THE GULF

Partisan Split Deepens In U.S. Policy Debate

Reaction to Saddam's Move Underscores Schism

By David S. Broder
Washington Post Staff Writer

The domestic political debate on President Bush's Persian Gulf policy became more sharply partisan yesterday, with Republicans claiming that Iraqi President Saddam Hussein's announcement that he will release all hostages vindicated Bush's insistence on forcing the issue, while Democrats defended a more gradual approach allowing time for sanctions to work.

The split underscored the degree to which the early congressional consensus on the gulf has eroded since Bush's decision a month ago to double the size of U.S. forces in the gulf and to threaten Iraq with military retaliation for its invasion of Kuwait. Despite some efforts to mute overt partisanship, the two parties have begun advocating increasingly divergent courses of action in the biggest military showdown since Vietnam.

Senate Minority Leader Robert J. Dole (R-Kan.) lost no time in attempting to seize the political advantage. "While President Bush and the United Nations had the courage

to force Saddam's hand," he said in a statement, "Congress sat on its hands and tried to tie the president's [hands] behind his back . . . No doubt about it, the president's policy is working. The last thing we need are any more timid signals from Congress."

On the other side, Sen. Paul S. Sarbanes (D-Md.), an advocate of continuing the economic sanctions and delaying any resort to military force, said, "If the hostages are released, it represents the achievement of one of our major goals without the expenditure of any lives . . . which runs directly counter to what Dole is saying."

Several sources said that Rep. Stephen J. Solarz (D-N.Y.), one of the strongest Democratic supporters of the Bush policy, warned a closed-door Democratic strategy session yesterday that if the party appears to be denying support to the administration and Bush orders a January attack that results in a quick Iraqi defeat, as he considers likely, then the voters "will keep us out of the White House forever."

Solarz confirmed the thrust of his remarks, but said he had made it



SEN. ROBERT J. DOLE
... "president's policy is working"



SEN. PAUL S. SARBANES
... advocates delaying use of force

clear he was advocating a policy he thought best for the country—and not just the Democratic Party.

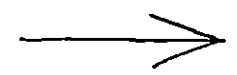
His view was rebutted by Senate Armed Services Committee Chairman Sam Nunn (D-Ga.), who told the private Democratic Leadership Council session that expert military judgment and public opinion both dictated delaying an early resort to force.

Even while echoing Nunn's arguments, some Democratic strategists conceded that they were concerned that Solarz's political judgment may be on target: Rep. Vic Fazio (D-Calif.), the newly named chairman of the Democratic Congressional Campaign Committee,

said that if the freeing of the hostages is followed by an Iraqi withdrawal from Kuwait, "the president may come out with enhanced popularity and the Democrats may be seen again as the party of peace-but-no-strength."

But Fazio said he thought last week's televised armed services committee hearings, in which a series of retired senior military officers supported Nunn's contention that sanctions should be continued for an extended period before the United States considers a military offensive against Saddam, "helped show the criticism [of administration policy] doesn't come entirely

TABC



(Cont'd.)

Partisan Split Deepens in Debate on U.S. Policy

CONSENSUS, From A25

from the same group of people who learned a lesson in Vietnam they cannot unlearn."

A wide variety of other Democrats, including some from the South and some from districts with major military installations, told their colleagues at caucuses this week that their constituents were telling them to avoid hostilities over Kuwait.

Rep. Lee H. Hamilton (D-Ind.), the influential House Foreign Affairs Committee member, said what he and others heard at home was people saying, "Don't get us into a war."

Hamilton said that contrary to Dole's criticism, "Congress was performing its traditional function in this situation. We have our ears to the ground and we heard a lot of unease about going to war."

Most Democrats interviewed

yesterday said the public dissent and the partisan differences began immediately after the midterm election, when Bush announced a doubling of U.S. forces in Saudi Arabia and the Defense Department canceled the policy of rotating troops into and out of the theater.

"Doubling the force, without any prior consultation or notice to Congress and without any explanation to the American people, created concern and unease among a great many people," Senate Majority Leader George J. Mitchell (D-Maine) said yesterday. While Hamilton and a few others supported the Bush decision, other influential voices across the party spectrum from Nunn to Sen. Daniel Patrick Moynihan (D-N.Y.) issued a loud dissent.

Some of it was based on policy disagreement; some, apparently, on injured institutional pride. Sources said Nunn told the Democratic Leadership Council yesterday that Soviet President Mikhail Gorbachev

and Egyptian President Hosni Mubarak gave their parliaments more information than Bush has given Congress.

Democratic leaders rejected Dole's suggestion that Congress be called into special session to debate gulf policy and convinced Bush it would be a political mistake for him to force such a debate with no certainty that his policy would be endorsed.

Instead, hearings by several congressional committees provided a forum for critics of the policy to make their arguments before administration witnesses appeared. Sen. Richard G. Lugar (R-Ind.), who joined Dole in calling for a special session, said yesterday that Democrats "didn't want to debate policy now, because they didn't know how things would come out, so they seized on the hearings device. They've opted out because they didn't know how to handle it politically."

Lugar, who predicted further

concessions by Saddam will follow the promised hostage release, said both parties "will attempt spin control" on the reasons for success, "but the president's spin is likely to have more credence."

Kirk O'Donnell, a longtime Democratic strategist, said that "if the president were to be successful, there would be a risk for the Democrats, just as there was for those who denounced the Grenada operation and then saw those freed students come home and kiss the ground."

But Sen. John F. Kerry (D-Mass.), who said he expects the U.S. policy to succeed, said that "as important as it is for us not to restrict the president's ability to threaten the use of force, it is equally important for Congress to represent the country's hesitancy about using that force. We each have our role to play."

Staff researcher Bruce Brown contributed to this report.



REP. STEPHEN J. SOLARZ

... backlash could hurt Democrats

TAB D

PRESENT
AT THE
CREATION

My Years in the State Department

DEAN ACHESON

W · W · NORTON & COMPANY · INC · NEW YORK

45. WAR IN KOREA: THE FIRST CRISIS

THOUGHTS ON AN AUTHORIZING RESOLUTION

IN THE DAYS THAT followed I considered Senator Alexander Smith's suggestion, and on July 3 the President assembled a group at Blair House to hear and discuss my recommendation. Jessup and Rusk went with me. Secretary Johnson brought the service secretaries and General Bradley. The President had with him Secretaries John Snyder of the Treasury and Charles Brannan of Agriculture; Postmaster General Jesse Donaldson; Senate Majority Leader Scott Lucas; and Averell Harriman.

My recommendation was that the President make a full report on the Korean situation to a joint session of Congress. This would, of course, be largely formal but would bring the whole story together in one official narrative and meet the objection of some members that information had come to them only through the leaders and the press. I also recommended that the President should not ask for a resolution of approval, but rest on his constitutional authority as Commander in Chief of the armed forces. However, we had drafted a resolution commending the action taken by the United States that would be acceptable if proposed by members of Congress.

In the ensuing discussion it appeared that the two houses of Congress had just recessed for a week and the President was unwilling to call them back. Senator Lucas, General Bradley, and Secretary Johnson were opposed to both recommendations: to the report because it would come too long after the events to stand by itself and had better accompany a request for money and necessary powers; and to the resolution because the vast majority in Congress were satisfied and the irreconcilable minority could not be won over. They could, however, keep debating and delaying a resolution so as to dilute much of its public effect. The others were divided. My sympathies lay with the Lucas-Bradley view. So apparently did the President's, for he put off a decision until the "Big Four" (the presiding officers and majority leaders of both houses) would be back after the recess. By then we were pretty well won over to Senator Lucas' view.

There has never, I believe, been any serious doubt—in the sense of non-politically inspired doubt—of the President's constitutional authority to do what he did. The basis for this conclusion in legal theory and historical precedent was fully set out in the State Department's memorandum of July 3, 1950, extensively published.¹ But the wisdom of the decision not to ask for congressional approval has been doubted. To have obtained congressional approval,

it has been argued, would have obviated later criticism of "Truman's war." In my opinion, it would have changed pejorative phrases, but little else. Congressional approval did not soften or divert the antiwar critics of Presidents Lincoln, Wilson, and Roosevelt. What inspired the later criticism of the Korean war was the long, hard struggle, casualties, cost, frustration of a limited and apparently inconclusive war, and—most of all—the determination of the opposition to end seemingly interminable Democratic rule.

Nevertheless, it is said, congressional approval would have done no harm. True, approval would have done none, but the process of gaining it might well have done a great deal. July—and especially the first part of it—was a time of anguishing anxiety. As American troops were committed to battle, they and their Korean allies under brutal punishment staggered back down the peninsula until they maintained only a precarious hold on the coastal perimeter around Pusan. An incredulous country and world held its breath and read the mounting casualties suffered by these gallant troops, most of them without combat experience. In the confusion of the retreat even their divisional commander, Major General William F. Dean, was captured. Congressional hearings on a resolution of approval at such a time, opening the possibility of endless criticism, would hardly be calculated to support the shaken morale of the troops or the unity that, for the moment, prevailed at home. The harm it could do seemed to me far to outweigh the little good that might ultimately accrue.

The President agreed, moved also, I think, by another passionately held conviction. His great office was to him a sacred and temporary trust, which he was determined to pass on unimpaired by the slightest loss of power or prestige. This attitude would incline him strongly against any attempt to divert criticism from himself by action that might establish a precedent in derogation of presidential power to send our forces into battle. The memorandum that we prepared listed eighty-seven instances in the past century in which his predecessors had done this. And thus yet another decision was made.

Shortly after the seven days of June just described a paper came to me from the White House. I end this account with it, partly and unquestionably from pride, but also because it illustrates so well a quality of the President's that bound his lieutenants to him with unbreakable devotion. The paper was a longhand note:

Memo to Dean Acheson

Regarding June 24 and 25—

7/19/50

Your initiative in immediately calling the Security Council of the U.N. on Saturday night and notifying me was the key to what followed afterwards. Had you not acted promptly in that direction we would have had to go into Korea alone.

The meeting Sunday night at the Blair House was the result of your action Saturday night and the results afterward show that you are a great Secretary of State and a diplomat.

Your handling of the situation since has been superb.

I'm sending you this for your record.

Harry S. Truman

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07a. Memo	From Brent Scowcroft to President Bush (3 pp.)	12/12/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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]
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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)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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 (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

TAB A

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07b. Talking Points	Points to be Made Meeting with Foreign Minister Eduard Shevardnadze (8 pp.)	n.d.	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
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AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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TAB B

PARTICIPANTS

U.S.

The President
The Vice President
James A. Baker, III, Secretary of State
John H. Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President for National Security Affairs
Ambassador Jack Matlock, U.S. Ambassador to the Soviet Union
Robert M. Gates, Assistant to the President and Deputy for National Security Affairs
Condoleezza Rice, Special Assistant to the President for Soviet Affairs
Dennis Ross, Director for Policy Planning, Department of State
Raymond Sietz, Assistant Secretary of State for European and Canadian Affairs
Peter Asanaskenko, Interpreter

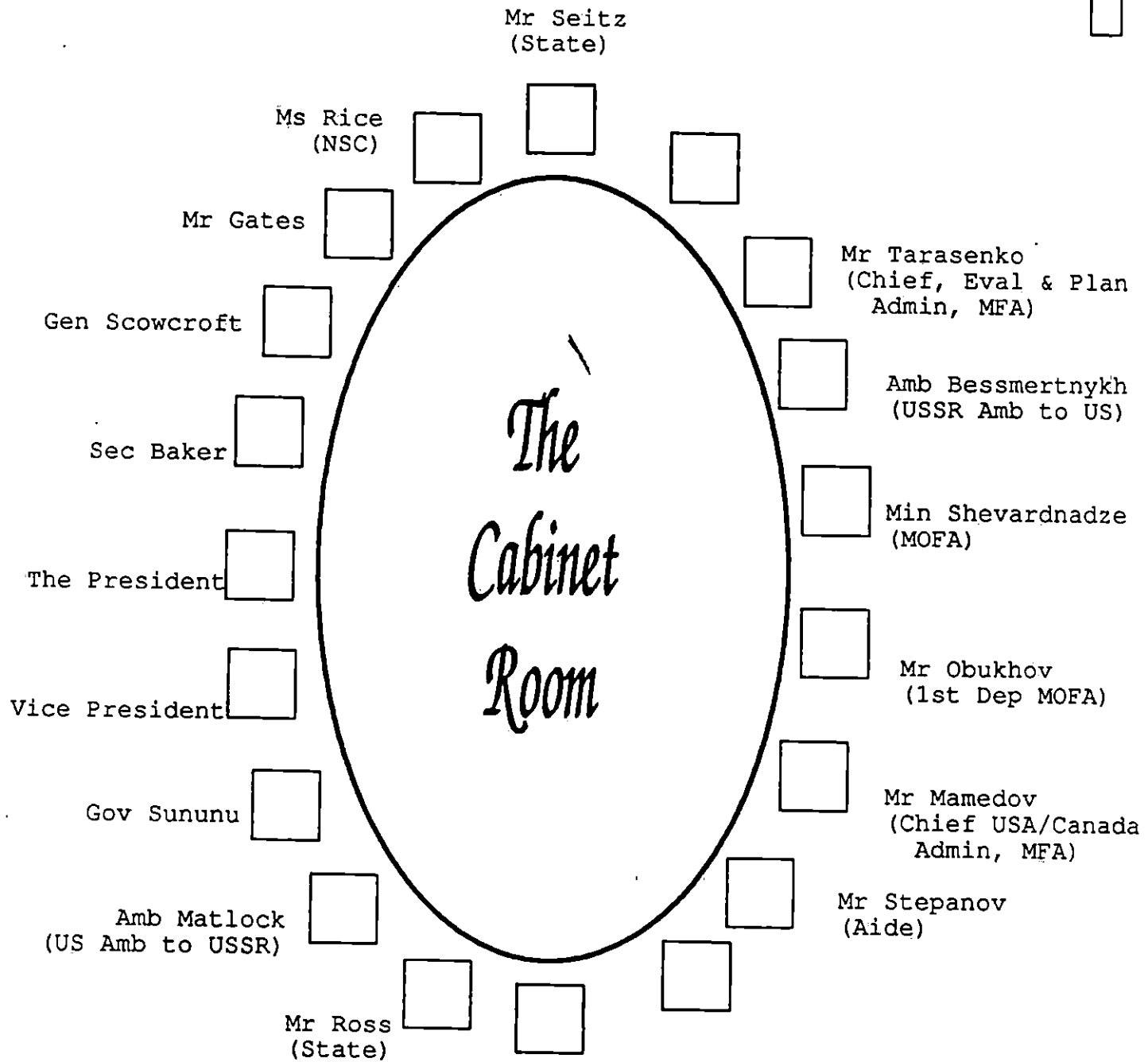
USSR

Eduard Shevardnadze, Minister of Foreign Affairs
Alexander Bessmertnykh, Ambassador to the U.S.
Aleksey Obukhov, First Deputy Minister of Foreign Affairs
Sergey Tarasenko, Chief, Evaluation and Planning Administration, MFA
Georgiy Mamedov, Chief, USA and Canada Administration, MFA
Teymuraz Stepanov, Aide to Shevardnadze
Pavel Palazhchenko, Interpreter

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Wednesday, December 12, 1990, 3:00 p.m.

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TAB C

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07c. Report	Government Report (1 pp.)	12/05/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed:	2/25/2011	OA/ID Number:	90573-003
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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PRM. Removed as a personal record misfile.

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07d. Report	Government Report (1 pp.)	12/05/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011 **OA/ID Number:** 90573-003

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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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07e. Report	Government Report [1st page only] (1 pp.)	n.d.	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07f. Report	Government Report (2 pp.)	09/04/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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 #:
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07g. Report	Government Report (1 pp.)	12/05/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011 **OA/ID Number:** 90573-003

FOIA/SYS Case #: 2009-0166-S

Appeal Case #:

Re-review Case #:

Appeal Disposition:

P-2/P-5 Review Case #:

Disposition Date:

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MR Case #:

AR Disposition:

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07h. Report	Government Report (1 pp.)	05/21/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07i. Report	Government Report (1 pp.)	05/16/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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 #:
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

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

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

TAB D

NOTE:

THIS LETTER WAS DELIVERED TO SECRETARY BAKER
BY SOVIET AMBASSADOR BESSMERTNYKH ON 12/7.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07j. Letter	From Mikhail Gorbachev to President Bush [unofficial translation] (3 pp.)	12/7/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07k. Letter	From Mikhail Gorbachev to President Bush [Russian version] (3 pp.)	12/7/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
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AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
08a. Memo	From Brent Scowcroft to President Bush (2 pp.)	12/12/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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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~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

POINTS TO BE MADE WITH
UNITA LEADER JONAS SAVIMBI

- IT SOUNDS LIKE WE ARE HAVING A BUSY WEEK ON ANGOLA HERE IN WASHINGTON.
- HOW DID YOUR MEETING GO WITH SHEVARDNADZE? IT'S AN AMAZING COMMENT ON HOW THE WORLD HAS CHANGED THAT YOU ARE SITTING DOWN WITH THE SOVIET FOREIGN MINISTER.
- HOW DO YOU SEE THE PROSPECTS FOR A SETTLEMENT? ARE WE GOING TO FINALLY HAVE PEACE IN ANGOLA IN 1991?
- I WISH YOU WELL. WE SUPPORT YOU ALL THE WAY. YOU KNOW THAT.

~~CONFIDENTIAL~~

Declassify on: OADR

~~CONFIDENTIAL~~

DECLASSIFIED

PER NSC WAIVER, 1500 2021-02

By SS NARA, Date 10/28/24

DECLASSIFIED
PER E.O. 12958,
AS AMENDED

2000-0429-F
8/21/09 *0

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

POINTS TO BE MADE WITH
UNITA LEADER JONAS SAVIMBI

- It sounds like we are having a busy week on Angola here in Washington.
- How did your meeting go with Shevardnadze? It's an amazing comment on how the world has changed that you are sitting down with the Soviet Foreign Minister.
- How do you see the prospects for a settlement? Are we going to finally have peace in Angola in 1991?
- I wish you well. We support you all the way. You know that.

DECLASSIFIED
PER NSC WAIVER, 1500 2021-02
By SS NARA, Date 10/26/24

DECLASSIFIED
PER E.O. 12958,
AS AMENDED
2000-0429-F
8/21/09 KO

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

DECLASSIFIED
PER E.O. 12958,
AS AMENDED

PARTICIPANTS

U.S.

The President
The Vice President
James A. Baker, III, Secretary of State
John H. Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President for National
Security Affairs
Robert M. Gates, Assistant to the President and Deputy for
National Security Affairs
Herman J. Cohen, Assistant Secretary of State for African Affairs
Robert C. Frasure, Director for African Affairs, NSC (Notetaker)

Angola

Jonas Savimbi, Leader of UNITA
Jeremias Chitunda, Vice President of UNITA
General Tony Da Costa Fernandes, Foreign Secretary of UNITA

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
08d. Report	Government Report (1 pp.)	09/21/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
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REPORT OF CONTRIBUTIONS TO DATE



THE FALL 1990 COMBINED FEDERAL CAMPAIGN

1990 COMBINED FEDERAL CAMPAIGN

STATUS REPORT

Major Campaign Divisions	Number of Units	Dollars Raised 1989 CFC	1990 CFC Goals	Percent Increase in Goal	Dollars Raised to Date	Percent Participation	Average Gift To Date	Percent of Goal Attained	Percent 1989 CFC Reached
Executive Departments	14	\$19,487,112	\$20,392,625	104.6%	\$18,348,583	59.4%	\$113.92	90.0%	94.2%
Executive Ofc of the Pres	11	\$157,662	\$167,079	106.0%	\$131,454	48.1%	\$177.40	78.7%	83.4%
Executive Indep Agencies	98	\$7,432,804	\$7,668,633	103.2%	\$7,361,234	50.9%	\$148.11	96.0%	99.0%
Legislative Branch	12	\$1,269,380	\$1,288,378	101.5%	\$1,008,573	21.6%	\$150.24	78.3%	79.5%
Judicial Branch	11	\$125,963	\$158,903	126.2%	\$150,832	58.3%	\$142.16	94.9%	119.7%
CFC Special	1	\$5,642	\$6,206	110.0%	\$3,158		\$315.80	50.9%	56.0%
TOTAL	147	\$28,478,563	\$29,681,824	104.2%	\$27,003,834	54.4%	\$123.14	91.0%	94.8%

1990 COMBINED FEDERAL CAMPAIGN PROGRESS REPORT

DEPARTMENT	Current Number of Employees	\$ Raised 89 CFC	Goal 90 CFC	No. of Gifts 90 CFC	\$ Raised 90 CFC	% of Partici- pation	Per Emp. Level of Giving	Average Gift	% of 90 Goal Reached	% of 89 CFC Reached	\$ 89 vs 90
Agriculture	11,669	1,062,938	\$1,170,000	8,400	\$1,170,000	72.0%	100.27	139.29	100.0%	110.1%	107,062
Commerce	17,817	1,446,268	1,650,000	10,496	1,540,293	58.9%	86.45	146.75	93.4%	106.5%	94,025
DEFENSE:	125,201	8,330,638	8,400,000	85,048	8,182,158	67.9%	65.35	96.21	97.4%	98.2%	(148,480)
Navy	47,492	2,979,308	2,950,000	32,252	2,964,000	67.9%	62.41	91.90	100.5%	99.5%	(15,308)
Army	37,850	2,136,905	2,175,300	24,842	2,154,300	65.6%	56.92	86.72	99.0%	100.8%	17,395
Air Force	14,043	1,164,906	1,200,000	11,925	1,163,608	84.9%	82.86	97.58	97.0%	99.9%	(1,298)
Other	25,816	2,049,519	2,074,700	16,029	1,900,250	62.1%	73.61	118.55	91.6%	92.7%	(149,269)
Education	3,111	200,909	205,000	1,697	228,708	54.5%	73.52	134.77	111.6%	113.8%	27,799
Energy	4,977	456,567	460,000	3,125	503,000	62.8%	101.06	160.96	109.3%	110.2%	46,433
H.H.S.	22,417	1,720,346	1,885,000	11,575	1,501,149	51.6%	66.96	129.69	79.6%	87.3%	(219,197)
H.U.D.	3,167	294,087	310,000	350	100,000	11.1%	31.58	285.71	32.3%	34.0%	(194,087)
Interior	8,160	488,325	532,000	2,731	400,158	33.5%	49.04	146.52	75.2%	81.9%	(88,167)
Justice	18,745	1,071,125	1,176,000	8,699	765,400	46.4%	40.83	87.99	65.1%	71.5%	(305,725)
Labor	6,154	506,929	476,000	3,330	492,000	54.1%	79.95	147.75	103.4%	97.1%	(14,929)
State	13,598	872,990	914,100	3,023	572,100	22.2%	42.07	189.25	62.6%	65.5%	(300,890)
Transportation	8,968	962,241	956,290	6,887	973,617	76.8%	108.57	141.37	101.8%	101.2%	11,376
Treasury	21,400	1,584,954	1,745,000	12,000	1,450,000	56.1%	67.76	120.83	83.1%	91.5%	(134,954)
V. A.	5,932	488,795	513,235	3,700	470,000	62.4%	79.23	127.03	91.6%	96.2%	(18,795)
TOTAL EXEC DEPTS	271,316	19,487,112	\$20,392,625	161,061	18,348,583	59.4%	67.63	113.92	90.0%	94.2%	(1,138,529)

EXECUTIVE OFFICE OF THE PRESIDENT STATUS REPORT

	Current Number of Employees	\$ Raised 89 CFC	Goal 90 CFC	No. of Gifts 90 CFC	\$ Raised 90 CFC	% of Partici- pation	Per Emp Level of Giving	Average Gift	% of 90 Goal Reached	% of 89 CFC Reached	\$ 89 vs 90
Ofc of Mgt & Budget	520	63,696	\$65,000	335	\$71,465	64.4%	137.43	\$213.33	109.9%	112.2%	7,769
White House	319	34,560	27,000	111	15,172	34.8%	47.56	\$136.68	56.2%	43.9%	(19,388)
Ofc U. S. Trade Rep	135	23,037	24,000			0.0%	0.00	ERR	0.0%	0.0%	(23,037)
Ofc of Admin	207	13,895	20,000	141	21,790	68.1%	105.27	\$154.54	109.0%	156.8%	7,895
Nat Sec Council	62	7,171	7,000	34	4,382	54.8%	70.68	\$128.88	62.6%	61.1%	(2,789)
Counc on Env Qual	11	3,468	3,936	19	5,132	172.7%	466.55	\$270.11	130.4%	148.0%	1,664
Ofc of Policy Dev	36	2,628	2,891			0.0%	0.00	ERR	0.0%	0.0%	(2,628)
Executive Residence	89	2,561	2,561	38	2,332	42.7%	26.20	\$61.37	91.1%	91.1%	(229)
Ofc-Drug Control Pol	88	2,521	9,419	28	3,896	31.8%	44.27	\$139.14	41.4%	154.5%	1,375
Counc of Econ Adv	28	2,353	2,500	12	3,249	42.9%	116.04	\$270.75	130.0%	138.1%	896
Ofc of Vice Pres	23	1,772	1,772	13	1,788	56.5%	77.74	\$137.54	100.9%	100.9%	16
Ofc Sci Tech Pol	23	0	1,000	10	2,248	43.5%	97.74	\$224.80	224.8%	ERR	2,248

EXECUTIVE OFFICE TOTAL	1,541	157,662	167,079	741	131,454	48.1%	85.30	\$177.40	78.7%	83.4%	(26,208)

1990 COMBINED FEDERAL CAMPAIGN STATUS REPORT
EXECUTIVE INDEPENDENT AGENCIES

AGENCIES	Current Number of Employees	\$ Raised 89 CFC	Goal 90 CFC	No. of Gifts 90 CFC	\$ Raised 90 CFC	% of Partici- pation	Per Emp Level of Giving	Average Gift	% of 90 Goal Reached	% of 89 CFC Reached	\$ 89 vs 90
U.S. Postal Service	22,305	2,027,507	\$2,180,000	15,226	2,365,000	68.3%	106.03	155.33	108.5%	116.6%	337,493
C.I.A.		625,064	675,000	5,648	618,018			109.42	91.6%	98.9%	(7,046)
G.S.A.	6,619	394,527	390,000	4,300	433,900	65.0%	65.55	100.91	111.3%	110.0%	39,373
Goddard Space Flight	3,378	322,623	300,000	1,900	338,402	56.2%	100.18	178.11	112.8%	104.9%	15,779
E.P.A.	5,200	456,611	462,000	2,663	503,000	51.2%	96.73	188.88	108.9%	110.2%	46,389
Int Dev Coop Ag/AID	2,962	415,631	403,000	478	63,000	16.1%	21.27	131.80	15.6%	15.2%	(352,631)
U.S.I.A.	5,028	297,624	327,386	1,051	175,000	20.9%	34.81	166.51	53.5%	58.8%	(122,624)
Nuclear Reg Comm	2,065	242,972	210,000	1,432	248,884	69.3%	120.52	173.80	118.5%	102.4%	5,912
N.A.S.A.	1,683	219,932	252,450	1,358	259,560	80.7%	154.22	191.13	102.8%	118.0%	39,628
Howard University	6,239	120,664	132,000	367	47,710	5.9%	7.65	130.00	36.1%	39.5%	(72,954)
Smithsonian	5,250	207,583	218,000	1,700	203,290	32.4%	38.72	119.58	93.3%	97.9%	(4,293)
Federal Reserve	1,493	177,117	137,000	1,122	213,021	75.2%	142.68	189.86	155.5%	120.3%	35,904
F.C.C.	1,181	108,866	109,000	708	110,578	59.9%	93.63	156.18	101.4%	101.6%	1,712
O.P.M.	2,418	159,031	175,000	1,100	138,000	45.5%	57.07	125.45	78.9%	86.8%	(21,031)
Fed Trade Commission	759	73,431	60,000	324	81,425	42.7%	107.28	251.31	135.7%	110.9%	7,994
Fed Energy Reg Comm	1,400	88,647	96,536	674	102,385	48.1%	73.13	151.91	106.1%	115.5%	13,738
S.E.C	1,322	102,971	105,000	700	71,809	53.0%	54.32	102.58	68.4%	69.7%	(31,162)
Nat Science Found	1,204	92,538	100,000	486	98,210	40.4%	81.57	202.08	98.2%	106.1%	5,672
E.E.O.C.	740	92,902	100,000	607	102,288	82.0%	138.23	168.51	102.3%	110.1%	9,386

Fed Emerg Mgt Agency	1,344	78,781	86,659	525	75,660	39.1%	56.29	144.11	87.3%	96.0%	(3,121)
Small Business Admin	768	76,228	80,000	304	44,329	39.6%	57.72	145.82	55.4%	58.2%	(31,899)
National Archives	1,049	77,236	82,000	481	77,443	45.9%	73.83	161.00	94.4%	100.3%	207
Nat Labor Rel Bd	685	79,924	80,000	340	81,389	49.6%	118.82	239.38	101.7%	101.8%	1,465
U.S. Sold & Air Home	950	71,554	60,000	1,047	47,472	110.2%	49.97	45.34	79.1%	66.3%	(24,082)
F.D.I.C.	2,313	113,316	92,000	680	146,314	29.4%	63.26	215.17	159.0%	129.1%	32,998
Interstate Commerce	516	42,631	47,000	323	50,000	62.6%	96.90	154.80	106.4%	117.3%	7,369
Pension Benefit Guar	520	50,121	53,000	330	55,357	63.5%	106.46	167.75	104.4%	110.4%	5,236
Intl Trade Comm	465	34,857	38,000	244	36,923	52.5%	79.40	151.32	97.2%	105.9%	2,066
Peace Corps	451	38,373	40,000	258	36,572	57.2%	81.09	141.75	91.4%	95.3%	(1,801)
Export Import Bank	329	22,844	30,000	197	25,128	59.9%	76.38	127.55	83.8%	110.0%	2,284
Commodity Fut Trade	284	39,653	40,000	265	40,000	93.3%	140.85	150.94	100.0%	100.9%	347
ACTION	155	27,135	20,000	128	29,875	82.6%	192.74	233.40	149.4%	110.1%	2,740
Natl Gallery of Art	800	37,446	39,000	294	36,077	36.8%	45.10	122.71	92.5%	96.3%	(1,369)
Merit Sys Prot Bd	185	21,169	23,000	138	28,120	74.6%	152.00	203.77	122.3%	132.8%	6,951
Gallaudet University	1,500	36,473	39,000	120	15,000	8.0%	10.00	125.00	38.5%	41.1%	(21,473)
Farm Credit Admin	223	24,495	26,537	136	27,000	61.0%	121.08	198.53	101.7%	110.2%	2,505
Nat Endow Humanities	240	26,537	27,750	136	25,275	56.7%	105.31	185.85	91.1%	95.2%	(1,262)
Fed Election Comm	232	25,910	26,000	158	30,832	68.1%	132.90	195.14	118.6%	119.0%	4,922
Con Prod Safety Comm	347	32,249	31,500	280	36,266	80.7%	104.51	129.52	115.1%	112.5%	4,017
O.P.I.C.	135	17,138	19,000	111	15,332	82.2%	113.57	138.13	80.7%	89.5%	(1,806)
FAA (Leesburg)	578	9,153	7,000	20	3,956	3.5%	6.84	197.80	56.5%	43.2%	(5,197)
U.S. Comm Civil Rgts	60	6,082	6,640	14	3,900	23.3%	65.00	278.57	58.7%	64.1%	(2,182)
Nat Endow for Arts	264	15,494	18,000	120	16,996	45.5%	64.38	141.63	94.4%	109.7%	1,502
Nat Trans Safety Bd	221	12,125	18,348	59	9,338	26.7%	42.25	158.27	50.9%	77.0%	(2,787)

Arms Cont & Dis Agy	173	18,473	20,320	68	15,088	39.3%	87.21	221.88	74.3%	81.7%	(3,385)
Fed Maritime Comm	171	18,657	19,000	54	9,969	31.6%	58.30	184.61	52.5%	53.4%	(8,688)
Fed Labor Rel Auth	146	13,514	13,651	95	15,268	65.1%	104.58	160.72	111.8%	113.0%	1,754
Sel Svc System	108	10,437	10,552	76	9,380	70.4%	86.85	123.42	88.9%	89.9%	(1,057)
Occ Saf & Health Rev	50	8,071	8,900	50	8,162	100.0%	163.24	163.24	91.7%	101.1%	91
Postal Rate Comm	61	7,437	8,250	41	8,558	67.2%	140.30	208.73	103.7%	115.1%	1,121
Nat Cred Union Admin	163	14,297	15,726	161	21,561	98.8%	132.28	133.92	137.1%	150.8%	7,264
Appal Reg Comm	61	8,395	9,350	61	9,350	100.0%	153.28	153.28	100.0%	111.4%	955
Inter-American Fd	67	8,261	8,500	37	7,621	55.2%	113.75	205.97	89.7%	92.3%	(640)
Fed Med & Conc Svc	78	5,123	7,000	41	6,559	52.6%	84.09	159.98	93.7%	128.0%	1,436
Adv Com Intergov Rel	18	4,114	4,914	16	4,829	88.9%	268.28	301.81	98.3%	117.4%	715
Admin Conf of U.S.	16	5,056	5,300	16	5,333	100.0%	333.31	333.31	100.6%	105.5%	277
Nat Cap Plan Comm	39	3,230	3,000	20	4,001	51.3%	102.59	200.05	133.4%	123.9%	771
Adv Counc Hist Pres	27	3,237	3,400	19	3,757	70.4%	139.15	197.74	110.5%	116.1%	520
Penn Ave Dev Corp	25	3,860	3,750	31	3,851	124.0%	154.04	124.23	102.7%	99.8%	(9)
Fed Mine Saf & Hlth	43	5,957	6,450	23	3,934	53.5%	91.49	171.04	61.0%	66.0%	(2,023)
African Dev Corp	31	4,017	4,380	6	1,840	19.4%	59.35	306.67	42.0%	45.8%	(2,177)
Ofc Spec Counc/MSPB	58	4,721	5,000	10	1,999	17.2%	34.47	199.90	40.0%	42.3%	(2,722)
Natl Mediation Bd	33	2,178	2,500	26	2,979	78.8%	90.27	114.58	119.2%	136.8%	801
J.F.K.Center	105	4,329	1,650	23	3,921	21.9%	37.34	170.48	237.6%	90.6%	(408)
Harry S. Truman Fd	4	1,200	1,200	5	828	125.0%	207.00	165.60	69.0%	69.0%	(372)
Railroad Ret Board	8	1,630	1,400	7	1,697	87.5%	212.13	242.43	121.2%	104.1%	67
Nat Comm for Emp Pol	13	3,037	3,310	10	2,103	76.9%	161.77	210.30	63.5%	69.2%	(934)
Comm for Purch Blind	14	2,114	2,305	14	2,565	100.0%	183.21	183.21	111.3%	121.3%	451

Bd Intl Broadcasting	14	2,174	2,310	14	2,294	100.0%	163.86	163.86	99.3%	105.5%	120
T.V.A.	12	923	900	6	1,144	50.0%	95.33	190.67	127.1%	123.9%	221
Comm on Fine Arts	7	1,419	1,419	7	1,500	100.0%	214.29	214.29	105.7%	105.7%	81
Nat Comm Lib & Info	17	186	2,250	13	1,928	76.5%	113.41	148.31	85.7%	1036.6%	1,742
Fed Ret Thrift	76	8,297	8,000	69	9,137	90.8%	120.22	132.42	114.2%	110.1%	840
Marine Mammal Comm	10	650	710	3	557	30.0%	55.70	185.67	78.5%	85.7%	(93)
Am Battle Mon Comm	10	389	389	7	360	70.0%	36.00	51.43	92.5%	92.5%	(29)
Inst of Museum Servs	13	809	750	8	801	61.5%	61.62	100.13	106.8%	99.0%	(8)
Japan-U.S. Friend	2	228	220	3	464	150.0%	232.00	154.67	210.9%	203.5%	236
Inst of Peace	34	9932	11,000	42	9953	123.5%	292.74	236.98	90.5%	100.2%	21
Ofc of Govern Ethics	32	2,440	3,500	16	3,510	50.0%	109.69	\$219.38	100.3%	143.9%	1,070
Farm Cr. Sys Ast. Bd	20	847	1,200	10	1,050	50.0%	52.50	\$105.00	87.5%	124.0%	203
Def Nuc Fac Safty Bd	31	0	3,371	16	3,455	51.6%	111.45	\$215.94	102.5%	ERR	3,455
Oversight Board	26	0	0	26	1,894	100.0%	72.85	\$72.85	ERR	ERR	1,894

INDEPENDENT AGENCIES											
TOTAL	87,676	\$7,432,804	\$7,668,633	49,702	\$7,361,234	56.7%	\$83.96	\$148.11	96.0%	99.0%	(\$71,570)

LEGISLATIVE BRANCH STATUS REPORT

	Current Number of Employees	\$ Raised 89 CFC	Goal 90 CFC	No. of Gifts 90 CFC	\$ Raised 90 CFC	% of Partici- pation	Per Emp Level of Giving	Average Gift	% of 90 Goal Reached	% of 89 CFC Reached	\$ 89 vs 90
Gen Acc't Office	3,264	406,850	\$443,000	2,406	\$418,000	73.7%	128.06	\$173.73	94.4%	102.7%	11,150
Library of Congress	4,229	264,186	270,841	1,460	266,000	34.5%	62.90	\$182.19	98.2%	100.7%	1,814
Gov Printing Office	4,548	246,514	232,332	1,995	217,570	43.9%	47.84	\$109.06	93.6%	88.3%	(28,944)
Senate	7,500	127,788	140,000	15	2,267	0.2%	0.30	\$151.13	1.6%	1.8%	(125,521)
House of Rep	7,500	86,375	95,000			0.0%	0.00	ERR	0.0%	0.0%	(86,375)
Ofc of Tech Assess	142	38,108		52	16,000	36.6%	112.68	\$307.69	ERR	42.0%	(22,108)
Cong Budget Office	219	36,168	37,000	93	36,540	42.5%	166.85	\$392.90	98.8%	101.0%	372
U. S. Tax Court	296	25,834	28,000	144	25,802	48.6%	87.17	\$179.18	92.2%	99.9%	(32)
U. S. Cap Police	1,300	23,258	25,564	146	7,840	11.2%	6.03	\$53.70	30.7%	33.7%	(15,418)
Arch of the Cap	2,009	10,711	12,500	385	14,937	19.2%	7.44	\$38.80	119.5%	139.5%	4,226
Comm on Sec in Eur	14	3,148	3,541	8	2,755	57.1%	196.79	\$344.38	77.8%	87.5%	(393)
Copyright Roy Trib	7	440	600	9	862	128.6%	123.14	\$95.78	143.7%	195.9%	422

LEGISLATIVE BRANCH TOTAL	31,028	1,269,380	\$1,288,378	6,713	1,008,573	21.6%	32.51	\$150.24	78.3%	79.5%	(260,807)

JUDICIAL BRANCH STATUS REPORT

	Current Number of Employees	\$ Raised 89 CFC	Goal 90 CFC	No. of Gifts 90 CFC	\$ Raised 90 CFC	% of Partici- pation	Per Emp Level of Giving	Average Gift	% of 90 Goal Reached	% of 89 CFC Reached	\$ 89 vs 90
Adm Offc U. S. Crt	693	43,124	\$55,000	473	\$56,595	68.3%	81.67	\$119.65	102.9%	131.2%	13,471
U. S. Dist Crt - DC	233	19,390	21,500	129	17,313	55.4%	74.30	\$134.21	80.5%	89.3%	(2,077)
Supreme Court	298	17,720	18,500	166	18,601	55.7%	62.42	\$112.05	100.5%	105.0%	881
Fed Jud Center	96	10,226	14,500	83	17,201	86.5%	179.18	\$207.24	118.6%	168.2%	6,975
U. S. Crt App - Fed	85	9,279	12,750	44	8,040	51.8%	94.59	\$182.73	63.1%	86.6%	(1,239)
Pub Def Service	145	8,091	11,000	53	8,406	36.6%	57.97	\$158.60	76.4%	103.9%	315
U. S. Crt App - DC	121	6,523	9,500	22	8,210	18.2%	67.85	\$373.18	86.4%	125.9%	1,687
U. S. Claims Court	95	5,561	6,600	48	7,078	50.5%	74.51	\$147.46	107.2%	127.3%	1,517
Ofc of Indep Counsel	41	3,537	6,750	31	6,372	75.6%	155.41	\$205.55	94.4%	180.2%	2,835
Jud Panel Multi Lit	10	1,787	2,000	9	2,054	90.0%	205.40	\$228.22	102.7%	114.9%	267
Temp Emer Crt of App	3	725	803	3	962	100.0%	320.67	\$320.67	119.8%	132.7%	237
JUDICIAL BRANCH TOTAL	1,820	125,963	\$158,903	1,061	\$150,832	58.3%	\$82.87	\$142.16	94.9%	119.7%	24,869

<ORIG> AP
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<TEXT>U W PM-US-SOVIET -URGENT- A0522 12-12 0175
PM-US-SOVIET, 2ND LD, A0522,160
RETRANSMITTING A0545 TO CHANGE CATEGORY CODE
URGENT

PRECEDE HOUSTON

BUSH TO GRANT SOVIETS TEMPORARY TRADE PRIVILEGES
EDS: NEW WITH BUSH LIFTING JACKSON-VANIK AMENDMENT. BUSH MEETS WITH
SHEVARDNADZE 3 P.M. EST. LEAD PROSPECTS UNCERTAIN.

BY BARRY SCHWEID=

AP DIPLOMATIC WRITER=

WASHINGTON (AP) - PRESIDENT BUSH HAS DECIDED TO GRANT THE SOVIET
UNION TEMPORARY TRADE PRIVILEGES, INCLUDING CREDITS THAT WILL ALLOW
THE SOVIETS TO BUY U.S. FARM PRODUCTS AND EASE THEIR FOOD
SHORTAGES, OFFICIALS SAID TODAY.

BUSH WILL ANNOUNCE HIS DECISION LATER IN THE DAY TO SOVIET
FOREIGN MINISTER EDUARD A. SHEVARDNADZE.

BUSH IS EXPECTED TO TELL THE SOVIET THAT HE IS WAIVING THE 1974
JACKSON-VANIK AMENDMENT UNTIL JUNE 1991, SAID THE U.S. OFFICIALS,
WHO SPOKE ON CONDITION OF ANONYMITY. THE AMENDMENT WITHHELD TRADE
PRIVILEGES PENDING AN IMPROVEMENT IN SOVIET EMIGRATION POLICIES.

THE WAIVER WILL ENABLE THE UNITED STATES TO PROVIDE THE SOVIETS
WITH AGRICULTURAL CREDITS, SAID THE OFFICIALS.

BUSH MET WITH HIS CABINET TO PUT THE FINISHING TOUCHES ON THE
PACKAGE.

MORE

AP-NY-12-12-90 1118EST+

✓ Daily P

THE WHITE HOUSE

WASHINGTON

December 12, 1990

Dear Larry:

With deep regret I accept your letter of resignation. For more than two years, and under two Presidents, you have distinguished yourself through your devotion to improving the education of our Nation's children.

With your help and guidance we assembled the 50 State Governors in Charlottesville for a historic education summit. There, we established a consensus for a set of national education goals, which today are the driving force behind our education agenda. Your tireless promotion and pursuit of these goals has set us on a path to educational excellence through the end of the decade.

I was particularly proud, Larry, to stand with you last September to announce an Executive Order on Educational Excellence for Hispanic Americans based on the findings of the task force you led. Hispanic Americans in every community are indebted to you for the inspired leadership you have provided.

Barbara and I will always be grateful for the sincerity, diligence and care you brought to the Office of the Secretary. On behalf of students, parents and teachers across the Nation, let me thank you for your dedicated service.

Sincerely,

A handwritten signature in black ink, appearing to read "Lauro F. Cavazos". The signature is fluid and cursive, with the first name "Lauro" being more prominent and the last name "Cavazos" following in a similar style.

The Honorable Lauro F. Cavazos
Secretary of Education

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Robert H. Stewart III
12109 Elysian Court
Dallas, TX 75230



THE PRESIDENT

12-12-97

Bob -

Thanks for your
call about Bob Clark. I
was very pleased to reappoint
him. Merry Christmases to all
in haste - Ag

✓ bcc: Bridget Montagne (daily)

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

H.E. Sadruddin Aga Khan
Chateau de Bellerive
1245 Collonge-Bellerive
Geneva
SWITZERLAND



THE PRESIDENT

Dec. 13, 1990

Dear Sadri & Katy -

Spoiled are we.

Visions of sugar-plums
are dancing in our heads, because
we see them dangling on the
fantastic trees you sent us.
(What's a sugar-plum - there have

got to be sugar-plums!!) ②

Anyway, the presents are
great. Soon all kids + grands
will be here - off to Camp David
for Christmas. I've cancelled
my Texas hunting, first time I will
have missed in 25 years; but
the demands of the Gulf and
elsewhere dictate 'stay at home'.

✓ bcc: Bridget Montagne (daily)



THE PRESIDENT

(3)

Thanks to you both. I
just can't tell you how much
our friendship means. At this
time of the year we count
blessings and you two are at
the top of the heap. What would
we do without friends. Love - *Ly*

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09a. Letter	From President Bush to Pam Ernest Re: friendship [redaction of personal information] (1 pp.)	12/12/90	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011 **OA/ID Number:** 90573-003

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:

Disposition Date:

MR Case #:

MR Disposition:

MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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



THE PRESIDENT

Dec. 12, 1990

Dear Pam -

I'm Thinking of you at this very special time of year - a time to count one's blessings. One of my blessings is our friendship; and now there you are out in Minnesota in the hospital. This is simply a note to say

THE WHITE HOUSE

Pam Ernest

Room 4-218
Station 4B, BAT/VMHC
University Minnesota Hospital
Harvard Street at E. River Parkway
Minneapolis, Minn. 55455

sent via Federal Express 12-12-90

(b)(6)

; but,
just to be sure, I'll say a special
prayer for you tonight when I
thank God for my many blessings.
I'll ask him to hold you in his loving
arms. I'll say "please take care of my
special friend, Pam. She's one of your best. Love,
Abe Bush

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09b. Note	From Bridget to Patty Re: Congressman Bill Young's daughter Pam Ernest [redaction of personal information] (1 pp.)	12/12/90	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 12, 1990

Date Closed: 2/25/2011	OA/ID Number: 90573-003
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)]

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

Wednesday, December 12, 1990

Patty:

SIR - handwritten note?

Doug Gregory, Congressman Bill Young's AA, called on behalf of the Congressman requesting that the President drop a personal note to the Congressman's daughter, Pam.

(b)(6)

She is at the University of Minnesota Hospital. Her address is:

61A
Pam Ernest
Room 4-218
Station 4B, BAT/VMHC
University of Minnesota Hospital
Harvard Street at East River Parkway
Minneapolis, Minnesota 55455

Doug Gregory can be reached on 225-5961 if you need any more information.

Bridget

personal country Sec. Brady

Bob Clarke

THE WHITE HOUSE

I am very pleased you
are willing to serve another
term; and I am very
pleased to have enthusiastically
signed off on your re-appointment.

Best
Bob

Dec. 12, 1990

THE PRESIDENT



I wish you well in
this very important work.

I read your statement
and I applaud it. Finding
the proper balance between
excessive regulatory zeal
and protecting the public interest
is not easy; but you're the man
to do it. Good Luck. Sincerely,
As Bud

THE WHITE HOUSE

Bob Clarke

personal
courtesy Sec. Brady

Dear Khalid,
I was very touched
by your letter. I am sorry
you and your family have
suffered at the hands of
Iraq's brutal dictator.



12-12-90

Thanked, we are not
going to let Saddam
turn in keep Kuwait. I
promise you.
Good luck
G. B. L.

Dear Mr. Bush

When the Iraqi invade Kuwait on August 2. We were in the beach house. The house was shaking, we don't know what happened, My mom thought that the war between Iraq and Iran started again, but we turned on the radio it said that Iraq took over Kuwait. In our way home, (close to downtown), we saw Iraqi tanks and jeeps going toward Saudi Arabia. And a lot of Helicopters on the sky, I was so scared and also I saw a lot of dead bodies in the street, broken houses, stolen cars. And where ever we go the Iraqi's stop as to check. They stole my grand father's company. He is a Honda dealer, they burned the whole thing, my grand father was not happy about what happened. After we stayed in Kuwait for almost 20 days, my family decided to leave

to United Arab Emirates, because my father is a Dr. in Political Science and he'll teach there. any-way we left the house at 4 in the morning, we have to drive in the desert, so the Iraqies won't see us. but unfortunately, they did, my dad and uncle gave them food, cold water and cigarettes, so they allow us to cross the border to Saudi Arabia.

It was too hot (120°) and we ran out of food. It took us 18 hours in the desert, we were so scared and tired.

Please Mr. Bush, help us to get Kuwait back, my mother cries a lot, she is worried about her family in Kuwait, there is no phone to call and no body could go there.

Mr. Bush Christmas is coming soon, and I know that every body buys a gift for his family, so please make this my gift to my Mother,
please free Kuwait from the Iraqis:

that would be the best gift to all the Kuwaities.

Thank you very much Mr. Bush,
I hope one day I'll see you and tell you about Kuwait.

Khaled Sanad

I'm 8 years old, I was born in Milwaukee, Wisconsin, but now I live in Al-Ain which is part of Abu-Dabi U.A.E.

my phone is 630-281

THE WHITE HOUSE
WASHINGTON

Date: 11/28/90

TO: Shirely Green

FROM: KRISTIN THOMPSON
Office of Presidential Appointments
Scheduling
Ext. 7560

This came to Kathy Super today from USIA.
There is no address for the little boy but
this might be something you want to file.
Evidently, many of these letters are being
written and they are being answered by the
embassies.

Thank you for handling this.

Reading File.

*Patry - cc Speechwriters
Det Amend*

ROUTING AND TRANSMITTAL SLIP

Date

Nov. 26, 1990

TO: (Name, office symbol, room number, building, Agency/Post)		Initials	Date
1.	Ms. Kathy Super, Deputy Director		
2.	for Appointments		
3.			
4.			
5.			

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

IRAQI INVASION OF KUWAIT

Kathy,

This is typical of the letters Kuwaiti school children are writing to our Embassies in the Middle East.

You may want to show this letter to the President.

Arthur ⁴⁸⁰

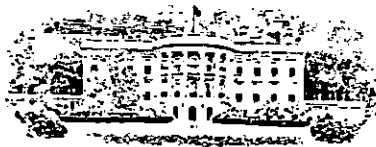
DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
Arthur E. Green	822-301 4th St.
Executive Secretary, USIA	Phone No.
	619 - 6895

5041-102

★ GPO : 1982-0 - 381-529 (223)

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206



12-12-90

Dear Ron -

Your letter about
the press conference really
cheered me. May Thanks.
Merry Christmas.
Cz B

U.S. Department of Labor

Assistant Secretary for
Congressional and Intergovernmental Affairs
Washington, D.C. 20210

Reading File



November 30, 1990

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

Dear Mr. President:

This morning's press conference and opening statement I feel very strongly will provide you the support and understanding that you need from the American public for your Gulf Policy. It was seven times well done.

The opening statement was so clear, concise, focused and meaningful and it along with the subsequent answers provided important insight to you and your motivations that the public needed to see.

On this subject, never before, have you been better. We can only hope that it gets maximum coverage so the majority of Americans can have this insight.

I suggest two things. First, that the content of the press conference including many of the answers you gave to questions be incorporated into remarks that you use at public events immediately.

Second, every member of the American military should see this press conference at once. I assume USIA/Armed Forces Network could get it abroad quickly. We have heard too much that our troops there don't know why they are in the Gulf and repeatedly about the Vietnam thing. If that is the case either limited or widespread your press conference clears that up in understandable terms.

Sir, you have turned the corner. Congratulations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rm".

Ronald G. Eberhardt
Associate Assistant Secretary

November 30, 1990

Shirley:

I just felt so positively strong about the President's morning news conference that I wrote the enclosed note.

Whether he sees the letter in its entirety or its incorporated into a summary - you, of course decide.

The suggestion on the tape of the conference for U. S. Military personnel is, I feel, very important.

No reply is necessary. I know how busy you are. Thanks for your assist.

THANKS, Shirley


Ron Eberhardt

3:30 P.M. NEWS UPDATE

JACKSON-VANIK WAIVER (AP) -- President Bush has decided to grant the Soviet Union temporary trade privileges, loan credits and humanitarian aid to help the Soviets through the winter, officials said. In advance of a late-afternoon Bush meeting with Foreign Minister Shevardnadze, the administration was notifying congressional committees that it intended to waive longstanding trade restrictions against the Soviet Union until June 1991. Bush, attending a Hanukkah celebration at the White House, said conditions for Soviet Jews had improved dramatically in the past year. "More than 150,000 Soviet Jews emigrated this year to new homes, new lives of liberty and dignity."

Meanwhile, Sen. Dole said "immediate action is needed to extend \$3 billion in credits" to the Soviet Union. He said the Soviets have acquired enough grain to see them through the next 60 days, but "they must begin buying within the next two to three weeks to meet their needs for the period February-July 1991."

U.S.-IRAQ TALKS/STATE (Reuter) -- The U.S. accused Iraq of blocking agreement on the dates of high-level talks. State Department spokesman Boucher said Iraq was still insisting that Baker come to Baghdad Jan. 12. "Iraq continues to block agreement on the dates," said Boucher.

BRITISH EMBASSY IN KUWAIT (London/Reuter) -- Britain's last two diplomats in occupied Kuwait will leave within a week, the Foreign Office announced.

GULF/ALLIED CONTRIBUTION (Bonn/AP) -- Germany and Japan disputed a U.S. accusation that they have delivered barely one-fifth of the aid they promised to back U.S. military operations in the Gulf. Chancellor Kohl's spokesman, Hans Klein, said Germany has already made available well over half of the \$2.24 billion it promised. Klein said Germany "does not know the basis for these calculations (the Pentagon's). In any event, they do not correspond with facts." A Japanese Foreign Ministry official said that of \$4 billion pledged for the military effort and to support Arab states affected by the Gulf crisis, \$600 million has been spent. The process for disbursing another \$600 million in emergency loans for Jordan and Turkey will be completed very soon, said another ministry official. "It is not the case that the Japanese government is delaying disbursement," he said.

(Reuter) -- The U.S. plans to ask its wealthy allies for billions in aid for the countries encircling Iraq, U.S. officials said. The \$4 billion to \$5 billion in aid would be needed to help Jordan, Egypt and Turkey reform their economies after weathering the initial economic shocks emanating from the Gulf crisis, the officials said.

GULF/ISRAEL/ITALY (Paris/UPI) -- Italian Foreign Minister De Michelis said the U.S. should withdraw its troops from Saudi Arabia once Iraq withdraws from Kuwait. De Michelis also said, in an interview with Le Monde newspaper, it is necessary "to isolate Israel" to make the Israeli government more flexible on the Palestinian question.

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1:15 P.M. NEWS UPDATE

IRAQI WITHDRAWAL CONDITIONS/BELGIUM (Brussels/Reuter) -- Belgian politicians quoted an Iraqi diplomat as saying his country would withdraw from Kuwait immediately if the U.S. publicly backed U.N. resolutions on the Mideast. Jaak Gabriels, president of the Volksunie Party, said Iraq's ambassador to Belgium, Zaid Haider, made the proposal during a meeting with him and another senior official of the party. "He said that if the United States says the same thing in the U.N. Security Council as the Belgian king before the Algerian parliament, Iraq would leave Kuwait immediately," Gabriels told Reuters. Belgian King Baudouin, visiting Algeria last month, called for implementation of all U.N. resolutions, including those condemning Israeli occupation of the occupied territories.

JACKSON-VANIK/SOVIETS (AP) -- President Bush has decided to grant the Soviet Union temporary trade privileges, including credits that will allow the Soviets to buy U.S. farm products and ease their food shortages, officials said today. Bush will announce his decision later in the day to Foreign Minister Shevardnadze. Bush is expected to tell the Soviet that he is waiving the Jackson-Vanik amendment until June 1991, said the officials, who spoke on condition of anonymity.

JACKSON-VANIK/SHAMIR (AP) -- Prime Minister Shamir told members of Congress he firmly supports President Bush's decision to ease trade with the Soviet Union as a reward for its liberalized policies. Shamir spoke to the Senate Foreign Relations Committee in a closed session, but Israeli officials relayed the gist of his remarks.

SOVIET FOOD CRISIS/BALTICS (Moscow/UPI) -- The Baltic republics are using the Soviet food crisis to demonstrate their independence, with Estonia turning down a share of international aid and Lithuania talking of donating to the relief effort. The Estonian Parliament passed a resolution saying food supplies in the republic "are still at sufficient levels and [we] refuse charity aid from foreign states." And Lithuanian President Landsbergis suggested to Parliament that they "discuss the question of rendering food assistance to the U.S.S.R.," but no official proposal was made, the newspaper Komsomolskaya Pravda said.

GORBACHEV/CIA (Reuter) -- The CIA denied that it had concluded in a classified report that President Gorbachev may be on the verge of a nervous breakdown [as reported in today's Washington Times]. "There is no such report," spokesman Mark Mansfield said without elaborating.

SOVIETS/KGB (Moscow/Reuter) -- KGB chief Kryuchkov has delivered warnings of foreign-backed subversion in the Soviet Union, rekindling Cold War memories and giving notice that his forces remain a power in the land. In a dramatic television address Tuesday night, he promised decisive steps to stop radicals from seizing power and destroying the Soviet Union. "The emergence of some extremely radical political tendencies is far from spontaneous but single-minded and well-thought through," Kryuchkov said. "Some of them are enjoying lavish moral and material support from abroad."

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IRAQI DEFENSE MINISTER/ANALYSIS (Nicosia/AP) -- Saddam has dismissed his defense minister, Baghdad Radio reported, and replaced him with Maj. Gen. Saadi Tuma Abbas. Abbas was credited as the strategist behind the successful defense of the southern port of Basra in the Iran-Iraq war, using formidable defensive lines. The Iraqis have built similar fortifications around Kuwait. The appointment of Abbas "could mean that Saddam is less than ready to compromise" on Kuwait, said Paul Rogers, an expert on Mideast military affairs at England's Bradford University. "The implication is that he's making sure that all those involved in military decision-making will toe the line. Saddam's tendency of late has been to drawing the policy-making structures closer and closer to his own network. He would appear to be trying to hold onto the reins of power. This would tend to underline that there is opposition to his strategy of holding onto Kuwait." ... Don Kerr, a military analyst with London's International Institute for Strategic Studies, said, "It may be that [former Defense Minister] Shanshal supported negotiations and supported a position that represented too much of an adjustment in Saddam's attitude for him to be able to accept."

CAVAZOS (Christopher Connell, AP) -- Lauro Cavazos, the first Hispanic American ever appointed to the Cabinet, resigned today as secretary of education. There was no immediate reason given for Cavazos' decision, and the resignation letter did not say what Cavazos plans to do. Administration sources said that Cavazos had tired to criticism aimed at his performance behind the scenes by Chief of Staff Sununu. His critics had faulted the education chief as an inadequate salesman for the administration's policies, who never mastered television skills.

(UPI) -- ... "I think what they (the White House) probably realized was that Democrats are going to attack Bush on his infamous pledge of being the education president and use it, in part, during the 1992 re-election campaign," said Bob Beckel. "Cavazos was not a very aggressive guy...and one thing is for sure: things have gotten worse." ... Ginny Terzano, spokeswoman for the DNC, contended the administration has gotten "intellectually tired" on domestic issues. "The level of commitment on domestic and education issues is horrendous. He [the President] has failed miserably on this," she said. Keith Geiger, president of the NEA, said, "If there is one area that I would give him [Cavazos] the most credit...it is in the whole area of bilingual education."

EL SALVADOR (San Salvador/AP) -- Leftist guerrillas mounted a series of coordinated attacks on government positions overnight and early today that left at least 44 people dead, the armed forces said.

10:15 A.M. NEWS UPDATE

IRAQI DEFENSE MINISTER/SADDAM (Cairo/UPI) -- Saddam Hussein replaced his defense minister with a hard-liner in the fourth top-level change in his government in the past three months, Baghdad Radio said. Arab diplomats said the move was an apparent show of strength before scheduled Iraqi-U.S. talks on the Gulf crisis, Baghdad Radio said. The state-owned radio said Saddam issued a presidential decree replacing veteran Lt. Gen. Abdul Jabar Shanshan with Gen. Saadi Toamma Abbas. Shanshan was demoted to minister of state for military affairs [described as a titular post]. Arab diplomats described Toamma as a hard-liner and a tough military careerist who since the beginning of the Gulf standoff has backed Saddam's stance. "Replacing Shanshan with a hard-liner and a war hero like Toamma is Saddam's way of telling the Americans his military means business," said one Arab envoy in Cairo who requested anonymity. "The move is also significant because it comes before Iraq-U.S. talks on the Gulf."

U.S./IRAQ (Baghdad/Reuter) -- Iraq condemned the U.S. for allying with Israel at the U.N. and repeated its insistence on linkage, rejected by Washington, between the Gulf crisis and the Palestinian question. The official news agency INA quoted Foreign Minister Aziz as condemning the U.S. stand in the Security Council as "complete alliance with the Zionist entity (Israel), its strategic ally." He called on Arab states "to press the United States to link Middle East problems, particularly the Palestinian issue, with the Gulf crisis." There could be no peace or stability in the Mideast "without the achievement of the just rights of the Palestinian people to return to their homeland and build their independent state," Aziz said.

MIDEAST CONFERENCE/France (Paris/UPI) -- France threatened to withdraw its support for a Security Council resolution chastising Israel for its conduct in the occupied territories unless the text of the motion specifically calls for an international conference on Mideast peace. Foreign Minister Dumas' move was clearly designed to prevent U.S. hesitancy, under Israeli pressure, over the text of the motion. Dumas said flatly that the way France votes in the Security Council motion "will take account of the notation or of the absence of an international conference," government spokesman Le Pensec said.

FRENCH FORCES/JAN. 15 (Paris/Reuter) -- France said it would send more troops, tanks, attack planes and anti-tank helicopters to Saudi Arabia before the end of the year and have them in combat positions by Jan. 15. Gen. Germanos told a news conference that the reinforcements would be sent between Dec. 17 and 31, raising the number of French military personnel in the Gulf to 10,000.

IRAQ/BAHRAIN (Manama/Reuter) -- Iraq planned to occupy other oil-rich Gulf Arab states after its Aug. 2 invasion of Kuwait, Bahrain's prime minister said in an interview. "The painful fact is that the Iraqis did intend the same situation in the Eastern Province (of Saudi Arabia), Bahrain, Qatar and possibly the UAE," Sheikh Khalifa told Bahrain's Gulf Daily News. "The Iraqis definitely intended to drive their forces across our borders."

GORBACHEV/CIA (Reuter) -- The Washington Times, quoting what it called a top-secret CIA publication, said that President Gorbachev may be on the verge of a nervous breakdown. "That prediction is based on CIA intelligence, including analysis of Mr. Gorbachev's recent public pronouncements to the Supreme Soviet (parliament)," the paper said. It cited speeches in which he was quoted as discussing the fate of his two grandfathers. The paper did not make clear why any comments about his grandfathers might be considered indicative of a possible future breakdown. But it cited the CIA as saying any such breakdown could leave Gorbachev incapable of ruling the Soviet Union.

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Statement by the President

I have just had an opportunity to discuss with Foreign Minister Shevardnadze a number of issues in U.S.-Soviet relations, including our cooperation in the Gulf and the progress that was made on the START treaty during the Houston Ministerial. We also talked at length about the situation in the Soviet Union and the response of the United States to the economic problems there. I asked Minister Shevardnadze to convey to President Gorbachev my desire to respond both to the short-term needs of the Soviet Union and to contribute to fundamental economic reform.

We discussed frankly the relationship of economic change in the Soviet Union to the critical task of democratization. I reiterated our strong desire to see both political and economic reform continue because they are inextricably linked.

I outlined specific and important steps that we are willing to take in support of reform. I told Minister Shevardnadze that I am prepared to respond to a Soviet request for credit guarantees for purchase of agricultural commodities through a waiver of the Jackson-Vanik amendment. While I have taken this step, I still look forward to passage of a Soviet emigration law codifying the generally excellent practices of the past year. This will permit us to make further progress toward the normalization of the U.S.-Soviet economic relationship.

In addition, we have proposed to the Soviets a special technical assistance project to help in assessing their food distribution problem and to support market reforms.

I will also authorize a joint public-private medical assistance effort to help the Soviet Union cope with immediate shortages of pharmaceuticals and basic medical supplies.

In the longer term, only steps that the Soviet Union itself takes can assure its economic health. Thus, to promote fundamental economic reform, I will propose that the World Bank and IMF work out with the Soviet Union a special association to give the USSR access to the considerable financial and economic expertise of those institutions. I have Secretary of the Treasury Brady, as U.S. Governor of both institutions, to pursue this proposal with them and with our allies.

As I have said before, I want perestroika to succeed. The Soviet Union is facing difficult times. But I believe that this is a good reason to act now in order to help the Soviet Union stay the course of democratization and to undertake market reforms. The United States has an interest in a Soviet Union able to play a role as a full and prosperous member of the international community of states. I am hopeful that these initiatives will further that goal.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

REMARKS BY THE PRESIDENT
SECRETARY OF STATE JAMES BAKER
AND FOREIGN MINISTER EDUARD SHEVARDNADZE
IN PRESS AVAILABILITY

The Rose Garden

4:06 P.M. EDT

THE PRESIDENT: Mr. Minister, welcome.

I have a brief statement, and then I will turn the conference here -- press conference -- over to Minister Shevardnadze and Secretary of State Baker to respond to questions. But I have just had an opportunity to discuss with Foreign Minister Shevardnadze a number of issues of U.S.-Soviet relations, including our cooperation in the Gulf. And I'm pleased with the great progress that we made on START and hopeful that we will be ready to sign a treaty at a summit in Moscow on February 11 through 13th.

We also talked at length about the situation in the Soviet Union and the response of the United States to the economic problems there. I asked Minister Shevardnadze to convey to President Gorbachev my desire to respond both to the short-term needs of the Soviet Union and to contribute to fundamental economic reform -- long supported perestroika and continue to.

We discussed frankly the relationship of economic change in the Soviet Union to the critical task of democratization. And I reiterated our strong desire to see both political and economic reform continue because they are inextricably linked. I outlined specific and important steps that we're willing to take in support of reform. And after consulting closely with Secretary Yeutter as well as Secretaries Brady and Baker, I told Minister Shevardnadze that I am prepared to respond to a Soviet request for credit guarantees for purchase of agricultural commodities through a waiver of the Jackson-Vanik Amendment.

While I've taken this step I still look forward to a passage of the Soviet emigration law codifying the generally excellent practices of the past year. And this then will permit us to make further progress toward the normalization of the U.S.-Soviet economic relationship.

In addition, we have proposed to the Soviets a special technical assistant project to help in assessing their food distribution problem and to support market reforms. I will also authorize a joint public-private medical assistance effort to help the Soviet Union cope with immediate shortages of pharmaceuticals and basic medical supplies.

In the longer term, only steps that the Soviet Union itself takes can assure the economic health there. Thus, to promote fundamental economic reform I will propose that the World Bank and the IMF work out with the Soviet Union a special association to give the USSR access to the considerable financial and economic expertise of those institutions.

I have asked Secretary of the Treasury Nick Brady, as U.S. Governor of both institutions, to pursue this proposal with them and also with our other allies, who I'm sure will be in accord.

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As I have said before, I want perestroika to succeed. The Soviet Union is facing tough times, difficult times. But I believe that this is a good reason to act now in order to help the Soviet Union stay the course of democratization and to undertake market reforms. The United States has an interest in the Soviet Union, able to play a role as a full and prosperous member of the International Community of States. And I am hopeful that these initiatives will further that goal.

Mr. Minister, we're delighted you're here, and now I'll turn this over to you and Jim Baker.

Q Mr. President, does that mean a START treaty has been completed?

THE PRESIDENT: The question will be handled by the Secretary of State and --

SECRETARY BAKER: Let me answer your question about a START treaty by saying that we made some very good progress, I think, in Houston. There are still some issues that remain, and I think beyond that, the President's statement speaks for itself. We would hope very much that the treaty would be ready -- would hope that it would be ready for signature over the February 11th to 13th date in Moscow.

Q What are the remaining issues?

Q What issues were resolved that hadn't been resolved before Shevardnadze came to Houston?

SECRETARY BAKER: The issues are very technical issues involving a number of different -- some verification issues, issues respecting monitoring of solid rocket facilities or missile assembly facilities. I'm sure you're quite familiar with the perimeter portal monitoring concept, Jim. (Laughter.) It's those kinds of issues we're still struggling with, and we still have quite a few of those to deal with.

Now, the Minister said inside that he thought it would be useful if we had an in-depth discussion in here of telemetry inscription and the problem of the shroud that's involved in that. (Laughter.) But we decided not to do that. But those are the kinds of issues we're dealing with.

Q How much export credits?

Q Mr. Secretary, how much should we consider the steps taken today to be a payback, payoff for the Soviets' cooperation on the Gulf crisis?

SECRETARY BAKER: You shouldn't consider any of the steps taken today to be a payoff or a payback for the cooperation that we've seen on the Gulf crisis. We see that cooperation across a broad range of issues. We've talked about our cooperation with respect to settling regional conflicts, our cooperation with respect to arms control. And this pattern and spirit of cooperation developed many years ago and has been improving as we move along.

So none of the measures announced today are in any sense a payback. It is very much in the national interest of the United States to see the Soviet Union succeed in their efforts to reform politically and to move to a free-market economic system.

Q Mr. Secretary, did the Minister make specific economic requests? And if so, was there anything that you turned down?

SECRETARY BAKER: There was nothing that was turned down. The only request had to do with a request not for grant assistance or gifts, if you will, but for credits that would permit the purchase of food supplies under our commodity credit program. The President's

decision to waive Jackson-Vanik will permit that.

Q How much?

Q Can I ask about your opinion of the Soviet Union?
First you --

SECRETARY BAKER: Five hundred million to \$1 billion -- somewhere in that range.

Q Immediately available or do they have to be subject to USDA review of credit worthiness, or are they available immediately?

SECRETARY BAKER: The mechanics of implementing that will be up to the folks that run the Commodity Credit Corporation. The program -- it's my understanding that within certainly the lower end of that range, there is some flexibility in the program. But that's up to them to determine. The President has made it possible through waiving Jackson-Vanik.

Q Is it bulk grain or value-added?

Q Mr. Secretary, was your decision -- the problem that concerned U.S. officials has been the distribution of food within the Soviet Union. How will this effort by the United States assist in that problem, which U.S. officials have said is at the heart of the matter?

SECRETARY BAKER: One of the things the President announced was a technical economic assistance program to assist with the problems of distribution. The problems that exist today, I think -- and we discussed this in Houston -- have been and are being considered by the Soviet leadership in terms of making sure that the supplies which are purchased on the basis of these credits get where they want them to go. Now, they know exactly where they expect to see shortages during the course of this winter as they move toward a market economy.

Q Mr. Secretary, was your decision driven by any fear that the Soviet Union is unstable? And if I may also direct that question to Minister Shevardnadze. Sir, do you consider in any respect your country on the brink of civil war?

FOREIGN MINISTER SHEVARDNADZE: Let me just say a few words in connection with President Bush's remarks. I believe that he has made a very important statement, particularly as regards President Bush's visit to the Soviet Union. We understand that, during the visit of President Bush to the Soviet Union, very important agreements will be signed.

First of all, the first treaty reducing strategic offensive arms, a treaty that the whole world is interested in seeing -- and in addition to that, a very important package of other agreements is emerging and it will be signed as regards our cooperation in trade, in the economy, in science and technology, and specifically, I would like to mention the investment treaty.

Secondly, the President has made a very important statement about his support for the changes happening in the Soviet Union. I am referring to his decision to waive the Jackson-Vanik Amendment, and that will make it possible to give credits for the supplies of food to the Soviet Union.

I know that it was not easy for the President to take that decision. And, therefore, we very much appreciate the President's decision, and I am sure that everyone in the Soviet Union will welcome and appreciate that decision.

I also believe that it is very important that the President has decided to favor a special status of association for the Soviet Union with the International Monetary Fund and the World

Bank.

A question has been asked here whether this was some kind of payoff or payback for some cooperation from the Soviet Union, or this means that we are in a new relationship, a new full-scale relationship with the United States. I think what the President has just announced and what the Secretary of State's remarks show that we are indeed in a very new phase of our relations.

There was no crisis in the Persian Gulf when our two Presidents met at Malta. And then there were other talks and discussions between them. And I'm also referring to our ministerial meetings at Wyoming and at Irkutsk where we spoke about cooperation and partnership. And all the other things, such as the Persian Gulf crisis and our cooperation on the Security Council resolutions -- that was after those important events.

And let me say how profoundly I'm gratified that we indeed are witnessing a new relationship, a new kind of cooperation between our two countries.

Let me express my gratification and my appreciation to the people of the United States, to the President and the Secretary of State for the support of your country at this very difficult time for us.

Q Is your country unstable? Mr. Minister, is your country unstable?

Q Mr. Shevardnadze, you could have been free of the Jackson-Vanik provisions a long time ago if your country had passed an emigration law. Why wasn't that done so that you wouldn't have been put in this bind? And, Secretary Baker, what assurances do you really have that these promises will be met?

FOREIGN MINISTER SHEVARDNADZE: Well, I agree with you. But as you might know, the draft emigration law has been prepared. The Soviet Foreign Ministry is one of the authors of that legislation. That legislation has been adopted in first reading by the Supreme Soviet. And I have no doubt that very soon there will be a final vote and that legislation will become law.

SECRETARY BAKER: Charles, let me simply say that we have received assurances from the Minister and the government of the Soviet Union that the pattern of emigration that has pertained over the past months and even years, where there has been a great increase in the ability of people to emigrate from the Soviet Union, will be maintained and will be continued. And you've just heard the Minister say that they will continue to press the Supreme Soviet to pass the emigration legislation.

Let me make sure that everyone understands here we are talking about a waiver of Jackson-Vanik that permits the Soviet Union to purchase from private sources in the United States food products -- primarily grain -- the repayment of which will be guaranteed by the United States government. This is not the equivalent of the granting of most favored nations trading status. That, of course, has not been done and that takes the conclusion of a trade agreement.

Q Have you seen the IMF study on the Soviet Union yet? Have you seen the IMF study?

Q -- do you think the Soviet Union is unstable, and is this decision driven by that calculation?

SECRETARY BAKER: Are you asking me or the Minister?

Q First you. Well, I'd like the Minister to address that as well.

FOREIGN MINISTER SHEVARDNADZE: The fact that there is certain instability in the Soviet Union and that we are worried about

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that, that's a fact. But I will not say that we are on the verge of a civil war. I have no doubt that the Soviet people will cope with their problems. And I would like to support what the President has just said, and that is, it is up to the Soviet people -- above all, it is up to the Soviet people to cope with our problems. And we certainly very much appreciate the U.S. support.

--
Q Mr. Secretary, have you seen the trade treaty that

Q How long is the waiver to be in place?

SECRETARY BAKER: The waiver will have to be reviewed. It's my understanding that the law requires a review in July of 1991.

Q What about the previous question?

Q What about the instability question, Mr. Secretary?

SECRETARY BAKER: The previous question -- you heard the Foreign Minister of the Soviet Union give you an answer with respect to the question of stability. Let me simply say that instability in the Soviet Union is very definitely not, in my view, in the interests of the United States of America. And instability in the Soviet Union is not, in my view at least, in the interests of the world.

FOREIGN MINISTER SHEVARDNADZE: Let me add something to what the Secretary just said. It would be a terrible thing if we were unable to assure stability at this time. It would be a terrible thing for Europe and the world. It would mean negating the very important treaties signed in Paris, the historic treaties signed in Paris. Let me assure you that we're aware of our responsibility to our people and to the world.

Q Any new dates from Iraq --

Q Are you going to be the next premier, Mr. Minister?
(Laughter.)

END

4:27 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

REMARKS BY THE PRESIDENT
AT JOBS FOR AMERICA'S GRADUATES AWARDS CEREMONY

The National Press Club

12:35 P.M. EST

THE PRESIDENT: Thank you, Governor McKernan for those very kind words. And let me also thank you, given all you have on your plate to -- for your responsibilities and services, Chairman. I also want to single out just a few here. I noticed you commented on the former Governor, now Senator Chuck Robb's participation -- Chairman now, to those who don't know this, of the Executive Committee of Jobs for America's Graduates; Ken Smith, who -- for the President. Julie Nixon Eisenhower, who's done an awful lot to make this day possible through her commitment.

And, of course, I want to salute the others that are with us -- Governor Wilder of Virginia and Governor Castle is here from Delaware; Governor Stevens of Montana. And then Kit Bond, a former Governor, I understand is with us -- and there he is over here. And then especially to salute Pete du Pont, the former Governor of Delaware, who really presided over the genesis and really with a stimulating word and thought behind all of this. And I'm delighted to be with all of you distinguished people who have made such a contribution.

Also I saw earlier Bill Brock, a former Senator, and I know of his interest in all of this, too. And I want to congratulate those governors not here -- it all adds up to a total of 19 governors being honored here today. And then again, I see a lot of those in town who do the heavy lifting when it comes to supporting all these worthy causes. And I want to thank each and every one of you and your foundations and your companies for seeing the light and getting out front on this important one.

My own interest, as Jock says, dates back to the very beginning -- not really the beginning because Pete gets the credit for that -- but back to my time on the Board of Directors, when the JAG -- Jobs for America's Graduates -- was nothing more than this idea with plenty of promise. And that's why it is with special pride that I meet with all of you -- the ones, literally, who have taken the idea and put it into action with, I think, spectacular results.

One of my great pleasures as President is to shine the spotlight on the success stories. Barbara calls it being a cheerleader. Well, she's darn good at it, too, I might add. But I think we are advantaged in having this special forum from which we can point out to the country the great successes that are taking place. And certainly today, JAG -- Jobs for America's Graduates -- deserves to be center stage. This organization has enjoyed lasting support from state officials, governors and from the business community. And it's all for one simple reason: It works. JAG works.

Take a look at the statistics -- 92 percent of the young people in this program were able to complete their high school diploma or their GED last year -- 92 percent. And it doesn't stop there. That's what Pete impressed on me and Jock has reimpressed on me. The program assists these new graduates during that critical school-to-work transition. Eighty-three percent of the young people

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participating made a successful transition -- into the working world, the Armed Services, or on to their next level of education. And JAG accomplished all this at half the average cost of other youth employment programs.

You've been especially effective, I'd say, in the inner cities. Kids from low-income households, whose plans for the future don't include college -- and may not even include finishing high school. JAG takes aim at these at-risk kids: the ones who, without the right help, without the right encouragement, might find themselves out of school, on their own, no hope, no prospects, without a future, if you will. JAG catches these kids before they drop through the cracks -- 20,000 last year alone.

And since I know a little about this organization, I know that you're not resting on your laurels. I'm especially pleased that, with what Jock said here, that JAG has joined this nationwide points of light movement with today's announcement that each participant will be expected to engage in community service activities. JAG's been especially effective -- I said the urban area -- also in the urban schools. And I urge you to extend this inner city outreach, expand this proven program to as many cities and schools as possible. It's my hope that before long, there will be a Jobs for America's Graduates program in every state in this country. Because as great as it is to see these award winners here today -- and I met with them upstairs -- there's a place in this room for all 50 governors to be here. And it's no surprise to me that this success is taking place then at the state and local level.

Last fall, as the governors and I forged our historic partnership at the Education Summit, we recognized that excellence in education required an effort that was not federal, but national -- one that brought all levels of government together in common cause to improve America's schools. We've got to follow through on those goals.

I might say parenthetically just a word about a very new development. This morning, Secretary Cavazos, the Secretary of Education, my dear friend, resigned as Secretary. And I think of the contribution he made to establishing these national schools. And I think the country will always be very, very grateful to him for his service to country.

Since then -- since that get-together, we've made real progress. A set of six national goals are now in place -- as is this target date still in place for the year 2000. Efforts to expand, flexibility, and also accountability in education are underway. These efforts are underway. And at that summit, as Jock well knows -- Governor McKernan -- the governors also committed to undertake a major, state-by-state effort to restructure the education system.

And I want to turn now to this challenge -- the need for a reform effort that results in nothing less than the restructuring of American education. The people in this room are critical to this reform effort. Corporate leaders -- who know education is the key to competitiveness. Governors -- from Maine to California, along with top education officials from each state. Teachers and principals, whose daily dedication and commitment will mold tomorrow's citizens. And finally, students -- young people for whom the word education means hope and happiness, opportunity and achievement.

Let me explain to all of you about what I mean, just briefly, about restructuring our schools. I'll limit myself to the broad principles because the last thing we need if we want real restructuring is a set of prescriptions, a bureaucratic blueprint from on-high Washington, mandating the states.

One of the keys to this approach is empowering people, not the bureaucracies. And central to empowerment is this concept of choice -- empowering parents to decide which school is best for their children. Choice, you see, is the catalyst for change -- the fundamental reform that drives forward all the others.

Let me lay out five principles that should guide our efforts to restructure our schools -- principles that empower parents, expand choice, and encourage excellence in education. High expectations, decentralized authority, schools that are responsive, market-oriented, and performance tested.

Take the first: high expectations. We've got to raise our sights -- for our students, for our schools. We've seen the statistics. American kids already rank too low compared to our chief industrial competitors. America can't settle for a C average if we really mean to compete and get ahead. America's schools must, and will, aspire to world-class standards.

Secondly, we've got to decentralize authority. It wouldn't be fair to raise expectations -- to ask more of our schools and our students -- if we tie the hands of the teachers and the principals, particularly those who make the difference. After all, the secret to our schools' success isn't the size of the bureaucracy. We succeed -- or fail -- one student at a time. And the secret is the principal who commands respect and cares deeply about each and every kid who walks into that school -- and that special teacher, who starts with the same tests and books and blackboard and then makes learning come alive.

For years we've stifled our schools with requirements and red tape. Let's give our schools something teachers and principals don't have enough of -- authority. And then let's hold them accountable for the results.

Third, we need responsive schools -- customer-driven, if you will. Schools that involve and engage students and their parents -- the real experts on what's best for their kids. That's central to the concept of choice. Everywhere choice has been tried, choice has worked -- in large part because it has brought parents into the process, into that whole process of shaping their kids education. We need schools that are open to the input from the business community -- real-world institutions that can work with our schools to educate the kind of employees they'll need tomorrow. If we want schools that work we've got to realize that there isn't any centralized monopoly on wisdom.

Fourth, restructuring means making our schools more market-oriented. We know what competition means in the business world. It's time we recognize that competition can spur excellence in our schools. Let them open their doors to experts from outside the teaching profession who are willing to share their wisdom in the schools. We've got to expand what they call alternative certification -- and tap the wealth of teaching in our society. There's a lot of talent out there that's precluded by mindless regulation from participating in our schools as teachers. Tap the wealth of that teaching talent that's been kept out of the classroom simply because they lack a teaching certificate.

Fifth and finally, we need to make sure the yardstick we use to measure our achievement is performance-based. All the necessary attention to rules and regulations and procedures -- all the measures of dollars spent -- all the hardware and software -- statistics and studies cannot be allowed to obscure the one measure that matters. And what matters is what works. Results. What kind of kid walks out of that classroom and into society -- what our kids know, whether we've taught them how to learn.

And one thing more while the subject is performance: We hold students accountable for their own failure. Well, let's do the same then for our schools.

These five principles -- high expectations, decentralized authority, schools that are responsive, market-oriented and performance-based -- these five can guide our efforts as we restructure American education to meet the ambitious goals that have been set for our nation's students and for our schools -- first set

by the governors of the 50 states -- as we lead America forward to what I hope will be an education renaissance, a system that can compete with any in the world. We've got to redouble our efforts to achieve these goals. This restructuring must take place. I don't have to tell the corporate leaders in this room that America can't expect to remain a first-class economy if we settle for second-rate schools. And let me assure you, there is a role in this restructuring for everybody here -- for your energy, for your ideas, for your commitment to educational excellence.

Before I close, let me just thank once again the companies and the foundations and the individuals whose contributions help keep Jobs for America's Graduates going strong. The help you provide to each young person literally lasts a lifetime. And to those students here with us today let me recognize your accomplishments -- but let me ask something else as well. Just as you've been helped along the way, make it your mission to reach out your hand to all the other kids like you who have everything they need to succeed except encouragement.

So once again, I really wanted to come over here, Jock, to thank you, to thank the other governors and senators that are with us here today -- thank you for all you're doing to help the kids of this country. May you all have a wonderfully merry Christmas. And may God bless the United States. Thank you very, very much. (Applause.)

END

12:50 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

REMARKS BY THE PRESIDENT
AT HANUKKAH CELEBRATION

Room 450
Old Executive Office Building

11:45 A.M. EST

THE PRESIDENT: Thank you, Rabbis, for those lovely words and for the gift of this lovely Menorah. It's wonderful to see the students -- the Gesher Jewish Day School. I'm so glad you could join us all here today to sing.

You haven't sung yet, have you? (Laughter.) Oh, good, because I didn't want to miss that.

Let me say that Barbara and I and Marilyn and Dan Quayle want to just welcome everybody here to the White House, for the second year of these Hanukkah celebrations. It's a holiday of hope, for it shows us the glory of God in our own lives and the power of miracles in the world. Last year at this ceremony, we spoke of our efforts to help Vladimir Raiz and other brave Refuseniks -- help them leave the Soviet Union. By Passover, Vladimir was a free man.

But the story really doesn't stop there. In addition to Zev Raiz, more than 150,000 Soviet Jews emigrated this year to new homes, new lives of liberty and dignity.

In fact, I am told that one kid, one child with us today from the Gesher Jewish Day School, Lidia Shestopalova -- where's Lidia? Here she is, right there. Now, Lidia, if that's -- oh, I'm so glad you're here. But she recently arrived from the Soviet Union. And so we welcome you to this country and we continue to pray for all those who are seeking freedom. Thank you Lidia. Now, sit down and be relaxed here. We're so glad you're here. And you're so beautiful. (Applause.)

The ancient story of the first Hanukkah is one of victory over persecution, aggression and intolerance. But the struggle has continued for your people through the centuries. In fact, the first wave of Jewish immigrants came to this country as early as 1654 to live a life free from intolerance and persecution.

Two hundred years ago, George Washington wrote a letter to a Jewish congregation in Newport, Rhode Island in which he said, the United States government would give "to bigotry no sanction, to persecution no assistance." In this new country, Washington said, "Everyone shall sit in safety under his own vine and fig tree and there shall be none to make him afraid." These words embody the American ideal of freedom of worship, an ideal that we reaffirm here today and that we pass on to the generations that follow us.

I understand that these kids -- I guess you're next -- are going to sing for us. I'm looking forward to it. I know Barbara is, and I know Marilyn and I know Dan are as well. I was pretty good last year at this game, Dreydel. Some said it was beginner's luck, but I'm ready for that. Also, I'm relying heavily on my partner here to prevail. (Laughter.) He's a pro in this. So why don't we just have a few songs and then we'll have a little match here.

MORE

But the main thing is, thank you for coming. Thank you for coming here to the White House at this very special time of year. And thank you, Rabbis, for your inspirational words, your prayers, and being with us here today, too. And Happy Hanukkah to everyone. Now, let the show begin. (Applause.)

END

11:48 A.M. EST

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 12, 1990

The President has named the following individuals to represent him as election observers in Haiti, December 14-17, 1990:

DELEGATION CHAIRMAN:

William Janklow, former Governor of South Dakota and his daughter, Shonna Janklow.

DELEGATES:

Alvin P. Adams, Jr., United States Ambassador to Haiti.

Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs.

Walter S. Fauntroy, House of Representatives, D-D.C.

Porter J. Goss, House of Representatives, R-FL.

Arturo Guzman, Member of the Advisory Council of the Small Business Administration of Puerto Rico.

J. Michael Levesque, Mayor, City of West Warwick, Rhode Island.

Monsignor William F. Murphy, Director of the Office of Social Justice, Archdiocese of Boston.

James L. Oberstar, House of Representatives, D-MN.

Arthur E. Teele, Jr., County Commissioner, Dade County, Florida.

Jack Webb, Senior Vice President of First City Bank Corporation of Texas.

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THE WHITE HOUSE

Office of the Press Secretary

FOR IMMEDIATE RELEASE

December 12, 1990

The President today named the volunteers of the Mission Service Project, of Mission, Texas, as the 324th "Daily Point of Light." The Mission Service Project, a collaborative effort among area churches, helps migrant workers stabilize their lives, while working to break the cycle of poverty.

Founded in 1981, the Mission Service Project organizes two community service efforts, the Volunteer Program and the Self Help Project. Through the Volunteer Program, high school and college students volunteer to repair dilapidated migrant housing. Some volunteers dedicate a summer or holiday to working in the barrios with migrant families who need assistance with repairing homes. Members of churches provide room and board for the young people, transport them to work sites, and raise funds to purchase construction materials.

The Self Help Project helps migrant working families obtain permanent housing and gain marketable construction skills. Families attend a training program for one year where they learn English, math, parenting and budgeting skills, and home maintenance skills. While attending the program, the families build their own home. At the completion of the program, the families have a permanent home and receive assistance with obtaining employment.

The President salutes the volunteers of The Mission Service Project as the 324th "Daily Point of Light." Daily Point of Light recognition is intended to call every individual, group, and organization in America to claim society's problems as their own by taking direct and consequential action; to identify, enlarge, and multiply successful initiatives, like the efforts of the volunteers of The Mission Service Project; and to discover, encourage, and develop new leaders in community service, reflecting the President's conviction that, "From now on in America, any definition of a successful life must include serving others."

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FOR FURTHER INFORMATION CONTACT: Tracey Taylor or Jill Chodorov
(202) 456-6266

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

FACT SHEET

MEDICAL ASSISTANCE PROGRAM

The President has decided to establish a mixed public-private medical assistance effort to help the Soviet Union deal with acute, immediate shortages of pharmaceutical and basic medical supplies. The effort would rely on private voluntary organizations, with U.S. Government support, to provide and distribute medicines and medical supplies within the USSR. At least initially these medicines and supplies would be donated by U.S. firms.

A U.S. task force, with representatives from the U.S. Government and private voluntary organizations, will be set up to coordinate and facilitate the overall relief effort.

- o The Agency for International Development (AID) will contact private voluntary organizations and pharmaceutical firms to solicit donations. AID will provide financial assistance to participating private voluntary organizations.
- o U.S. private voluntary organizations will organize, deliver and distribute privately donated medical and pharmaceutical supplies in the Soviet Union.
- o The U.S. Embassy in Moscow, working with Soviet authorities in the central government and at the republic and city level, and with U.S. private voluntary organizations already in the USSR, will work to identify specific needs and medical assistance priorities.

The magnitude of the program and the specific materials to be provided will depend on both this detailed assessment of needs and the extent of private interest in this effort.

Ideally, U.S. assistance will be targeted at specific groups in the population needing medical supplies (e.g., disposable syringes for infants, insulin for diabetics, drugs for those with leukemia, etc.).

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

FACT SHEET

THE USSR AND THE INTERNATIONAL FINANCIAL INSTITUTIONS:
A SPECIAL ASSOCIATION

President Bush has proposed a Special Association of the Soviet Union with the International Monetary Fund (IMF) and the World Bank that will give Moscow access to the economic and financial expertise in those institutions. He has asked Secretary of the Treasury Brady, as U.S. Governor of the IMF and World Bank to pursue this proposal with the institutions and other countries and to develop with them the necessary new arrangements.

We believe it is best for the USSR to establish such a relationship with these institutions before addressing the issue of full membership.

A "Special Associate" status could include the following elements:

- o The IMF providing technical assistance to the Soviets on macroeconomic, financial and exchange rate policies, as well as advice on other issues such as fiscal policy, tax reform and central banking issues.
- o The World Bank providing technical advice on specific structural issues, such as changes in the transportation, energy and financial sectors, as well as on critical microeconomic issues, such as development of markets.
- o The Fund conducting an Annual Review of the Soviet economy, similar to the Article IV consultation process, now done for all IMF member countries.
- o The institutions placing technical experts in Moscow to provide ongoing assistance and coordination of activities.
- o The Soviets continuing to attend Annual Meetings, as they did in 1990.
- o The Bank and the Fund inviting the Soviets to participate in courses offered by their respective training institutes.

The IMF and World Bank, along with the Organization for Economic Cooperation and Development (OECD) and the President-designate of the European Bank for Reconstruction and Development (EBRD), are now completing a study of the Soviet economy that was requested at the Houston Economic Summit. A new Special Association could allow the IMF and World Bank to build on that work and to advance the process of economic reform and liberalization in the Soviet Union.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

FACT SHEET

TECHNICAL ASSISTANCE IN FOOD DISTRIBUTION AND MARKETING

The United States is prepared to send to the Soviet Union this month a team of private and public sector experts in the field of food distribution and marketing. The team's mission will be to assess the problems of food distribution, and provide technical assistance to central, republic and local authorities in the USSR.

The team will identify ways to strengthen and support market forces in the USSR's food marketing system; consider alternatives to assist vulnerable populations; and recommend measures to improve the availability of food to the Soviet people.

The team will include experts from the U.S. private sector, universities, private voluntary organizations, and the U.S. government. Team members will work closely with Soviet government officials, as well as officials of the republic governments.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

FACT SHEET

WAIVER OF THE JACKSON-VANIK AMENDMENT

The President has decided to waive for the Soviet Union application of the freedom of emigration provisions contained in the Jackson-Vanik Amendment (Section 402) to the 1974 Trade Act. The Jackson-Vanik amendment effectively bars access to official credit and credit guarantee programs to countries which restrict emigration. The President made this decision:

- o Based on the liberalization of Soviet emigration policy in recent years by which an estimated 360,000 people will emigrate in 1990;
- o After receiving assurances that this policy will continue; and
- o To make food available to the Soviet Union in the form of up to \$1 billion in Commodity Credit Corporation (CCC) credit guarantees for the purchase of U.S. agricultural products.

The President's waiver will be valid until at least July 1991, at which time he will need to determine whether to extend the waiver.

While the President has taken this action on Jackson-Vanik, he does not plan at this time to send the U.S.-Soviet Trade Agreement, signed during the Washington Summit in June 1990, to the Congress. Only when the Trade Agreement is approved by Congress and takes effect could the Soviet Union receive MFN trading status.

The immediate effect of the President's action is to make the Soviet Union eligible for export credit guarantees under the CCC General Sales Manager program for the purchase of American agricultural products. This form of food assistance responds to Soviet requests for credit guarantees and will help the Soviet authorities address current food shortages. The waiver will also restore Soviet eligibility for Export-Import Bank credits and credit guarantees.

- o However, the Stevenson Amendment to the Ex-Im Bank Act and the Byrd Amendment to the 1974 Trade Act limit credits and guarantees to \$300 million, with a subceiling of \$40 million and other restrictions on Ex-Im Bank credits or guarantees in support of the fossil fuel industry.

In accordance with the requirements of Jackson-Vanik, before formally executing a waiver the President will report to Congress his determination that a waiver will substantially promote its freedom of emigration objectives in the Soviet Union. This report will also state that he has received the required assurances on Soviet emigration practices.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

FACT SHEET

Export Credit Guarantees for the USSR

The President's decision to waive the Jackson-Vanik Amendment to the Trade Act of 1974 makes the Soviet Union eligible for export credit guarantees provided by the U.S. Department of Agriculture (USDA). Export credit guarantees are offered for agricultural products by USDA's Commodity Credit Corporation (CCC) to promote U.S. agricultural exports. The principal program, entitled GSM-102, offers repayment terms of up to 3 years and normally covers 98 percent of the commodity value of a transaction.

Operationally, CCC issues a guarantee for financing which is provided through normal commercial channels. Since the largest portion of risk is thereby transferred to CCC, the program allows commercial credit to be extended to participating countries in larger amounts and on more favorable terms than would otherwise be possible. While credit terms are more favorable, interest rates are not subsidized in the program and are usually near the so-called London Interbank Overnight Rate (LIBOR).

A total of \$5.0 billion is currently authorized annually for GSM-102. Actual sales to 25 countries totaled \$4.0 billion in FY 1990, roughly 10 percent of all U.S. agricultural exports.

Any agricultural commodity entirely produced in the United States is eligible for coverage under the program. The program has been used to help finance purchases of wheat, feed grains, oilseeds, vegetable oil, livestock and dairy products, cotton and a variety of other commodities.

The largest participants in the program in FY 1991 are Mexico (\$1.2 billion) and Algeria (\$675 million).

Agricultural Export Assistance to the USSR by
Selected Countries

Country	<u>Government Donations</u>		<u>Government Direct Credits</u>		<u>Government Guarantees</u>	
	Value ¹	Volume ²	Value ¹	Volume ²	Value ¹	Volume ²
Canada ³	3.8	3	850	--	400	--
Australia	--	--	yes	--	--	--
Germany ⁴	908	448	--	--	134	77
Netherlands	--	--	--	--	yes ⁷	--
Belgium	--	--	--	--	yes ⁷	--
France ⁵	--	--	--	--	294	3,200
Thailand	--	--	51	200	--	--
Italy ⁶	2,000	--	--	--	900	--
Spain ⁶	--	--	--	--	1,500	--

Notes:

1. Millions of U.S. Dollars
2. Thousands of Metric Tons
3. Canadian direct credit of \$850 million has not been utilized to date.
4. Germany has begun shipping commodities under the new agreements.
5. France has made sales of 500,000 MT of barley and 900,00 MT of wheat and 150,000 MT of wheat flour.
6. Italy and Spain offered large credit guarantees, but the agricultural portion is unknown.
7. Yes: Countries have offered credit, but no agreements have been made.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

REMARKS BY THE PRESIDENT
AT HANUKKAH CELEBRATION

Room 450
Old Executive Office Building

11:45 A.M. EST

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END

11:48 A.M. EST

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 12, 1990

EXECUTIVE ORDER

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PRESIDENT'S COMMISSION ON ENVIRONMENTAL QUALITY

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), an advisory committee on environmental quality, it is hereby ordered as follows:

Section 1. Establishment. There is established the President's Commission on Environmental Quality ("Commission"). The Commission shall comprise not more than 25 members to be appointed by the President. One of the members shall be the Chairman of the Council on Environmental Quality. The remaining members shall be individuals from the private sector who have experience in various aspects of environmental and natural resources matters. The Chairman of the Council on Environmental Quality shall serve as Chairman of the Commission and shall report directly to the President.

Sec. 2. Functions. (a) The Commission, through the Chairman, shall advise the President on matters involving environmental quality.

(b) The Chairman may, from time to time, invite experts to submit information to the Commission and may direct the members to investigate and report to the Commission on specific environmental issues of national consequence.

Sec. 3. Administration. (a) The heads of executive agencies shall, to the extent permitted by law, provide to the Commission such information with respect to environmental and natural resources matters as the Commission requires for the purpose of carrying out its functions.

(b) Members of the Commission shall serve without any compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government service (5 U.S.C. 5701-5707).

(c) Any expenses of the Commission shall be paid from the funds available for the expenses of the Council on Environmental Quality.

(d) The Office of Administration shall, on a reimbursable basis, provide such administrative services as may be required.

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Sec. 4. General. Notwithstanding any other Executive order, the functions of the President under the Federal Advisory Committee Act, as amended, except that of reporting to the Congress, which are applicable to the Commission, shall be performed by the Council on Environmental Quality in accord with the guidelines and procedures established by the Administrator of General Services.

GEORGE BUSH

THE WHITE HOUSE,
December 12, 1990.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 12, 1990

EXECUTIVE ORDER

- - - - -

ADJUSTMENTS OF CERTAIN RATES OF PAY AND ALLOWANCES

By the authority vested in me as President by the Constitution and laws of the United States of America, including sections 703 and 704 of Public Law 101-194; section 302 of the Federal Employees Pay Comparability Act of 1990, as incorporated in section 529 of Public Law 101-509; section 618 of Public Law 101-509; section 601 of Public Law 101-510; section 321 of Public Law 101-520; and section 5382 of title 5, United States Code, it is hereby ordered as follows:

Section 1. Statutory pay systems. The rates of basic pay or salaries of the following statutory pay systems are set forth on the schedules attached hereto and made a part hereof:

- (a) The General Schedule (5 U.S.C. 5332(a)) at Schedule 1;
- (b) The Foreign Service Schedule (22 U.S.C. 3963) at Schedule 2; and
- (c) The schedules for the Veterans Health Services and Research Administration of the Department of Veterans Affairs (38 U.S.C. 4107) at Schedule 3.

Sec. 2. Senior Executive Service. Pursuant to section 5382 of title 5, United States Code, the rates of basic pay for members of the Senior Executive Service are set forth on Schedule 4 attached hereto and made a part hereof.

Sec. 3. Executive salaries. The rates of pay or salaries for the following offices and positions are set forth on the schedules attached hereto and made a part hereof:

- (a) The Executive Schedule (5 U.S.C. 5312-5316) at Schedule 5;
- (b) The Vice President (3 U.S.C. 104) and Congress (2 U.S.C. 31) at Schedule 6; and
- (c) Justices and judges (28 U.S.C. 5, 44(d), 135, and 252) at Schedule 7.

Sec. 4. Uniformed services. Pursuant to section 601 of Public Law 101-510, the rates of monthly basic pay (37 U.S.C. 203(a)), the rates of basic allowances for subsistence (37 U.S.C. 402), and the rates of basic allowances for quarters (37 U.S.C. 403(a)) for members of the uniformed services are set forth at Schedule 8 attached hereto and made a part hereof.

Sec. 5. Interim geographic adjustments. (a) Pursuant to section 302 of the Federal Employees Pay Comparability Act of 1990, as incorporated in section 529 of Public Law 101-509,

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(OVER)

employees under the statutory pay systems covered under section 1 of this order who are assigned to a duty station located in one of the geographical areas listed in Schedule 9 shall be entitled, except as may be provided under subsection (b) of this section, to receive an interim geographic adjustment at the rate shown on Schedule 9, which schedule is attached hereto and made a part hereof.

(b)(1) The Office of Personnel Management shall prescribe regulations governing the application of interim geographic adjustments to General Schedule employees, including the determination of what, if any, geographic adjustment shall be payable in the case of employees receiving special pay rates.

(2) The Secretary of State shall prescribe regulations governing the application of interim geographic adjustments to employees under the Foreign Service Schedule, consistent with the regulations and determinations prescribed under paragraph (1) of this subsection.

(3) The Secretary of Veterans Affairs shall prescribe regulations governing the application of interim geographic adjustments to employees under the schedules for the Veterans Health Services and Research Administration of the Department of Veterans Affairs, consistent with the regulations and determinations prescribed under paragraph (1) of this subsection.

Sec. 6. Effective dates. The rates of monthly basic pay and allowances for subsistence and quarters for members of the uniformed services provided for at Schedule 8 are effective on January 1, 1991. The other schedules provided for herein are effective on the first day of the first applicable pay period beginning on or after January 1, 1991.

Sec. 7. Executive Order No. 12698 of December 23, 1989, is superseded.

GEORGE BUSH

THE WHITE HOUSE,
December 12, 1990.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

REMARKS BY THE PRESIDENT
SECRETARY OF STATE JAMES BAKER
AND FOREIGN MINISTER EDUARD SHEVARDNADZE
IN PRESS AVAILABILITY

The Rose Garden

4:06 P.M. EDT

THE PRESIDENT: Mr. Minister, welcome.

I have a brief statement, and then I will turn the conference here -- press conference -- over to Minister Shevardnadze and Secretary of State Baker to respond to questions. But I have just had an opportunity to discuss with Foreign Minister Shevardnadze a number of issues of U.S.-Soviet relations, including our cooperation in the Gulf. And I'm pleased with the great progress that we made on START and hopeful that we will be ready to sign a treaty at a summit in Moscow on February 11 through 13th.

We also talked at length about the situation in the Soviet Union and the response of the United States to the economic problems there. I asked Minister Shevardnadze to convey to President Gorbachev my desire to respond both to the short-term needs of the Soviet Union and to contribute to fundamental economic reform -- long supported perestroika and continue to.

We discussed frankly the relationship of economic change in the Soviet Union to the critical task of democratization. And I reiterated our strong desire to see both political and economic reform continue because they are inextricably linked. I outlined specific and important steps that we're willing to take in support of reform. And after consulting closely with Secretary Yeutter as well as Secretaries Brady and Baker, I told Minister Shevardnadze that I am prepared to respond to a Soviet request for credit guarantees for purchase of agricultural commodities through a waiver of the Jackson-Vanik Amendment.

While I've taken this step I still look forward to a passage of the Soviet emigration law codifying the generally excellent practices of the past year. And this then will permit us to make further progress toward the normalization of the U.S.-Soviet economic relationship.

In addition, we have proposed to the Soviets a special technical assistant project to help in assessing their food distribution problem and to support market reforms. I will also authorize a joint public-private medical assistance effort to help the Soviet Union cope with immediate shortages of pharmaceuticals and basic medical supplies.

In the longer term, only steps that the Soviet Union itself takes can assure the economic health there. Thus, to promote fundamental economic reform I will propose that the World Bank and the IMF work out with the Soviet Union a special association to give the USSR access to the considerable financial and economic expertise of those institutions.

I have asked Secretary of the Treasury Nick Brady, as U.S. Governor of both institutions, to pursue this proposal with them and also with our other allies, who I'm sure will be in accord.

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As I have said before, I want perestroika to succeed. The Soviet Union is facing tough times, difficult times. But I believe that this is a good reason to act now in order to help the Soviet Union stay the course of democratization and to undertake market reforms. The United States has an interest in the Soviet Union, able to play a role as a full and prosperous member of the International Community of States. And I am hopeful that these initiatives will further that goal.

Mr. Minister, we're delighted you're here, and now I'll turn this over to you and Jim Baker.

Q Mr. President, does that mean a START treaty has been completed?

THE PRESIDENT: The question will be handled by the Secretary of State and --

SECRETARY BAKER: Let me answer your question about a START treaty by saying that we made some very good progress, I think, in Houston. There are still some issues that remain, and I think beyond that, the President's statement speaks for itself. We would hope very much that the treaty would be ready -- would hope that it would be ready for signature over the February 11th to 13th date in Moscow.

Q What are the remaining issues?

Q What issues were resolved that hadn't been resolved before Shevardnadze came to Houston?

SECRETARY BAKER: The issues are very technical issues involving a number of different -- some verification issues, issues respecting monitoring of solid rocket facilities or missile assembly facilities. I'm sure you're quite familiar with the perimeter portal monitoring concept, Jim. (Laughter.) It's those kinds of issues we're still struggling with, and we still have quite a few of those to deal with.

Now, the Minister said inside that he thought it would be useful if we had an in-depth discussion in here of telemetry incryption and the problem of the shroud that's involved in that. (Laughter.) But we decided not to do that. But those are the kinds of issues we're dealing with.

Q How much export credits?

Q Mr. Secretary, how much should we consider the steps taken today to be a payback, payoff for the Soviets' cooperation on the Gulf crisis?

SECRETARY BAKER: You shouldn't consider any of the steps taken today to be a payoff or a payback for the cooperation that we've seen on the Gulf crisis. We see that cooperation across a broad range of issues. We've talked about our cooperation with respect to settling regional conflicts, our cooperation with respect to arms control. And this pattern and spirit of cooperation developed many years ago and has been improving as we move along.

So none of the measures announced today are in any sense a payback. It is very much in the national interest of the United States to see the Soviet Union succeed in their efforts to reform politically and to move to a free-market economic system.

Q Mr. Secretary, did the Minister make specific economic requests? And if so, was there anything that you turned down?

SECRETARY BAKER: There was nothing that was turned down. The only request had to do with a request not for grant assistance or gifts, if you will, but for credits that would permit the purchase of food supplies under our commodity credit program. The President's

decision to waive Jackson-Vanik will permit that.

Q How much?

Q Can I ask about your opinion of the Soviet Union?
First you --

SECRETARY BAKER: Five hundred million to \$1 billion -- somewhere in that range.

Q Immediately available or do they have to be subject to USDA review of credit worthiness, or are they available immediately?

SECRETARY BAKER: The mechanics of implementing that will be up to the folks that run the Commodity Credit Corporation. The program -- it's my understanding that within certainly the lower end of that range, there is some flexibility in the program. But that's up to them to determine. The President has made it possible through waiving Jackson-Vanik.

Q Is it bulk grain or value-added?

Q Mr. Secretary, was your decision -- the problem that concerned U.S. officials has been the distribution of food within the Soviet Union. How will this effort by the United States assist in that problem, which U.S. officials have said is at the heart of the matter?

SECRETARY BAKER: One of the things the President announced was a technical economic assistance program to assist with the problems of distribution. The problems that exist today, I think -- and we discussed this in Houston -- have been and are being considered by the Soviet leadership in terms of making sure that the supplies which are purchased on the basis of these credits get where they want them to go. Now, they know exactly where they expect to see shortages during the course of this winter as they move toward a market economy.

Q Mr. Secretary, was your decision driven by any fear that the Soviet Union is unstable? And if I may also direct that question to Minister Shevardnadze. Sir, do you consider in any respect your country on the brink of civil war?

FOREIGN MINISTER SHEVARDNADZE: Let me just say a few words in connection with President Bush's remarks. I believe that he has made a very important statement, particularly as regards President Bush's visit to the Soviet Union. We understand that, during the visit of President Bush to the Soviet Union, very important agreements will be signed.

First of all, the first treaty reducing strategic offensive arms, a treaty that the whole world is interested in seeing -- and in addition to that, a very important package of other agreements is emerging and it will be signed as regards our cooperation in trade, in the economy, in science and technology, and specifically, I would like to mention the investment treaty.

Secondly, the President has made a very important statement about his support for the changes happening in the Soviet Union. I am referring to his decision to waive the Jackson-Vanik Amendment, and that will make it possible to give credits for the supplies of food to the Soviet Union.

I know that it was not easy for the President to take that decision. And, therefore, we very much appreciate the President's decision, and I am sure that everyone in the Soviet Union will welcome and appreciate that decision.

I also believe that it is very important that the President has decided to favor a special status of association for the Soviet Union with the International Monetary Fund and the World

Bank.

A question has been asked here whether this was some kind of payoff or payback for some cooperation from the Soviet Union, or this means that we are in a new relationship, a new full-scale relationship with the United States. I think what the President has just announced and what the Secretary of State's remarks show that we are indeed in a very new phase of our relations.

There was no crisis in the Persian Gulf when our two Presidents met at Malta. And then there were other talks and discussions between them. And I'm also referring to our ministerial meetings at Wyoming and at Irkutsk where we spoke about cooperation and partnership. And all the other things, such as the Persian Gulf crisis and our cooperation on the Security Council resolutions -- that was after those important events.

And let me say how profoundly I'm gratified that we indeed are witnessing a new relationship, a new kind of cooperation between our two countries.

Let me express my gratification and my appreciation to the people of the United States, to the President and the Secretary of State for the support of your country at this very difficult time for us.

Q Is your country unstable? Mr. Minister, is your country unstable?

Q Mr. Shevardnadze, you could have been free of the Jackson-Vanik provisions a long time ago if your country had passed an emigration law. Why wasn't that done so that you wouldn't have been put in this bind? And, Secretary Baker, what assurances do you really have that these promises will be met?

FOREIGN MINISTER SHEVARDNADZE: Well, I agree with you. But as you might know, the draft emigration law has been prepared. The Soviet Foreign Ministry is one of the authors of that legislation. That legislation has been adopted in first reading by the Supreme Soviet. And I have no doubt that very soon there will be a final vote and that legislation will become law.

SECRETARY BAKER: Charles, let me simply say that we have received assurances from the Minister and the government of the Soviet Union that the pattern of emigration that has pertained over the past months and even years, where there has been a great increase in the ability of people to emigrate from the Soviet Union, will be maintained and will be continued. And you've just heard the Minister say that they will continue to press the Supreme Soviet to pass the emigration legislation.

Let me make sure that everyone understands here we are talking about a waiver of Jackson-Vanik that permits the Soviet Union to purchase from private sources in the United States food products -- primarily grain -- the repayment of which will be guaranteed by the United States government. This is not the equivalent of the granting of most favored nations trading status. That, of course, has not been done and that takes the conclusion of a trade agreement.

Q Have you seen the IMF study on the Soviet Union yet? Have you seen the IMF study?

Q -- do you think the Soviet Union is unstable, and is this decision driven by that calculation?

SECRETARY BAKER: Are you asking me or the Minister?

Q First you. Well, I'd like the Minister to address that as well.

FOREIGN MINISTER SHEVARDNADZE: The fact that there is certain instability in the Soviet Union and that we are worried about

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that, that's a fact. But I will not say that we are on the verge of a civil war. I have no doubt that the Soviet people will cope with their problems. And I would like to support what the President has just said, and that is, it is up to the Soviet people -- above all, it is up to the Soviet people to cope with our problems. And we certainly very much appreciate the U.S. support.

Q Mr. Secretary, have you seen the trade treaty that

--

Q How long is the waiver to be in place?

SECRETARY BAKER: The waiver will have to be reviewed. It's my understanding that the law requires a review in July of 1991.

Q What about the previous question?

Q What about the instability question, Mr. Secretary?

SECRETARY BAKER: The previous question -- you heard the Foreign Minister of the Soviet Union give you an answer with respect to the question of stability. Let me simply say that instability in the Soviet Union is very definitely not, in my view, in the interests of the United States of America. And instability in the Soviet Union is not, in my view at least, in the interests of the world.

FOREIGN MINISTER SHEVARDNADZE: Let me add something to what the Secretary just said. It would be a terrible thing if we were unable to assure stability at this time. It would be a terrible thing for Europe and the world. It would mean negating the very important treaties signed in Paris, the historic treaties signed in Paris. Let me assure you that we're aware of our responsibility to our people and to the world.

Q Any new dates from Iraq --

Q Are you going to be the next premier, Mr. Minister?
(Laughter.)

END

4:27 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 12, 1990

REMARKS BY THE PRESIDENT
AT JOBS FOR AMERICA'S GRADUATES AWARDS CEREMONY

The National Press Club

12:35 P.M. EST

THE PRESIDENT: Thank you, Governor McKernan for those very kind words. And let me also thank you, given all you have on your plate to -- for your responsibilities and services, Chairman. I also want to single out just a few here. I noticed you commented on the former Governor, now Senator Chuck Robb's participation -- Chairman now, to those who don't know this, of the Executive Committee of Jobs for America's Graduates; Ken Smith, who -- for the President. Julie Nixon Eisenhower, who's done an awful lot to make this day possible through her commitment.

And, of course, I want to salute the others that are with us -- Governor Wilder of Virginia and Governor Castle is here from Delaware; Governor Stevens of Montana. And then Kit Bond, a former Governor, I understand is with us -- and there he is over here. And then especially to salute Pete du Pont, the former Governor of Delaware, who really presided over the genesis and really with a stimulating word and thought behind all of this. And I'm delighted to be with all of you distinguished people who have made such a contribution.

Also I saw earlier Bill Brock, a former Senator, and I know of his interest in all of this, too. And I want to congratulate those governors not here -- it all adds up to a total of 19 governors being honored here today. And then again, I see a lot of those in town who do the heavy lifting when it comes to supporting all these worthy causes. And I want to thank each and every one of you and your foundations and your companies for seeing the light and getting out front on this important one.

My own interest, as Jock says, dates back to the very beginning -- not really the beginning because Pete gets the credit for that -- but back to my time on the Board of Directors, when the JAG -- Jobs for America's Graduates -- was nothing more than this idea with plenty of promise. And that's why it is with special pride that I meet with all of you -- the ones, literally, who have taken the idea and put it into action with, I think, spectacular results.

One of my great pleasures as President is to shine the spotlight on the success stories. Barbara calls it being a cheerleader. Well, she's darn good at it, too, I might add. But I think we are advantaged in having this special forum from which we can point out to the country the great successes that are taking place. And certainly today, JAG -- Jobs for America's Graduates -- deserves to be center stage. This organization has enjoyed lasting support from state officials, governors and from the business community. And it's all for one simple reason: It works. JAG works.

Take a look at the statistics -- 92 percent of the young people in this program were able to complete their high school diploma or their GED last year -- 92 percent. And it doesn't stop there. That's what Pete impressed on me and Jock has reimpressed on me. The program assists these new graduates during that critical school-to-work transition. Eighty-three percent of the young people

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participating made a successful transition -- into the working world, the Armed Services, or on to their next level of education. And JAG accomplished all this at half the average cost of other youth employment programs.

You've been especially effective, I'd say, in the inner cities. Kids from low-income households, whose plans for the future don't include college -- and may not even include finishing high school. JAG takes aim at these at-risk kids: the ones who, without the right help, without the right encouragement, might find themselves out of school, on their own, no hope, no prospects, without a future, if you will. JAG catches these kids before they drop through the cracks -- 20,000 last year alone.

And since I know a little about this organization, I know that you're not resting on your laurels. I'm especially pleased that, with what Jock said here, that JAG has joined this nationwide points of light movement with today's announcement that each participant will be expected to engage in community service activities. JAG's been especially effective -- I said the urban area -- also in the urban schools. And I urge you to extend this inner city outreach, expand this proven program to as many cities and schools as possible. It's my hope that before long, there will be a Jobs for America's Graduates program in every state in this country. Because as great as it is to see these award winners here today -- and I met with them upstairs -- there's a place in this room for all 50 governors to be here. And it's no surprise to me that this success is taking place then at the state and local level.

Last fall, as the governors and I forged our historic partnership at the Education Summit, we recognized that excellence in education required an effort that was not federal, but national -- one that brought all levels of government together in common cause to improve America's schools. We've got to follow through on those goals.

I might say parenthetically just a word about a very new development. This morning, Secretary Cavazos, the Secretary of Education, my dear friend, resigned as Secretary. And I think of the contribution he made to establishing these national schools. And I think the country will always be very, very grateful to him for his service to country.

Since then -- since that get-together, we've made real progress. A set of six national goals are now in place -- as is this target date still in place for the year 2000. Efforts to expand, flexibility, and also accountability in education are underway. These efforts are underway. And at that summit, as Jock well knows -- Governor McKernan -- the governors also committed to undertake a major, state-by-state effort to restructure the education system.

And I want to turn now to this challenge -- the need for a reform effort that results in nothing less than the restructuring of American education. The people in this room are critical to this reform effort. Corporate leaders -- who know education is the key to competitiveness. Governors -- from Maine to California, along with top education officials from each state. Teachers and principals, whose daily dedication and commitment will mold tomorrow's citizens. And finally, students -- young people for whom the word education means hope and happiness, opportunity and achievement.

Let me explain to all of you about what I mean, just briefly, about restructuring our schools. I'll limit myself to the broad principles because the last thing we need if we want real restructuring is a set of prescriptions, a bureaucratic blueprint from on-high Washington, mandating the states.

One of the keys to this approach is empowering people, not the bureaucracies. And central to empowerment is this concept of choice -- empowering parents to decide which school is best for their children. Choice, you see, is the catalyst for change -- the fundamental reform that drives forward all the others.

Let me lay out five principles that should guide our efforts to restructure our schools -- principles that empower parents, expand choice, and encourage excellence in education. High expectations, decentralized authority, schools that are responsive, market-oriented, and performance tested.

Take the first: high expectations. We've got to raise our sights -- for our students, for our schools. We've seen the statistics. American kids already rank too low compared to our chief industrial competitors. America can't settle for a C average if we really mean to compete and get ahead. America's schools must, and will, aspire to world-class standards.

Secondly, we've got to decentralize authority. It wouldn't be fair to raise expectations -- to ask more of our schools and our students -- if we tie the hands of the teachers and the principals, particularly those who make the difference. After all, the secret to our schools' success isn't the size of the bureaucracy. We succeed -- or fail -- one student at a time. And the secret is the principal who commands respect and cares deeply about each and every kid who walks into that school -- and that special teacher, who starts with the same tests and books and blackboard and then makes learning come alive.

For years we've stifled our schools with requirements and red tape. Let's give our schools something teachers and principals don't have enough of -- authority. And then let's hold them accountable for the results.

Third, we need responsive schools -- customer-driven, if you will. Schools that involve and engage students and their parents -- the real experts on what's best for their kids. That's central to the concept of choice. Everywhere choice has been tried, choice has worked -- in large part because it has brought parents into the process, into that whole process of shaping their kids education. We need schools that are open to the input from the business community -- real-world institutions that can work with our schools to educate the kind of employees they'll need tomorrow. If we want schools that work we've got to realize that there isn't any centralized monopoly on wisdom.

Fourth, restructuring means making our schools more market-oriented. We know what competition means in the business world. It's time we recognize that competition can spur excellence in our schools. Let them open their doors to experts from outside the teaching profession who are willing to share their wisdom in the schools. We've got to expand what they call alternative certification -- and tap the wealth of teaching in our society. There's a lot of talent out there that's precluded by mindless regulation from participating in our schools as teachers. Tap the wealth of that teaching talent that's been kept out of the classroom simply because they lack a teaching certificate.

Fifth and finally, we need to make sure the yardstick we use to measure our achievement is performance-based. All the necessary attention to rules and regulations and procedures -- all the measures of dollars spent -- all the hardware and software -- statistics and studies cannot be allowed to obscure the one measure that matters. And what matters is what works. Results. What kind of kid walks out of that classroom and into society -- what our kids know, whether we've taught them how to learn.

And one thing more while the subject is performance: We hold students accountable for their own failure. Well, let's do the same then for our schools.

These five principles -- high expectations, decentralized authority, schools that are responsive, market-oriented and performance-based -- these five can guide our efforts as we restructure American education to meet the ambitious goals that have been set for our nation's students and for our schools -- first set

by the governors of the 50 states -- as we lead America forward to what I hope will be an education renaissance, a system that can compete with any in the world. We've got to redouble our efforts to achieve these goals. This restructuring must take place. I don't have to tell the corporate leaders in this room that America can't expect to remain a first-class economy if we settle for second-rate schools. And let me assure you, there is a role in this restructuring for everybody here -- for your energy, for your ideas, for your commitment to educational excellence.

Before I close, let me just thank once again the companies and the foundations and the individuals whose contributions help keep Jobs for America's Graduates going strong. The help you provide to each young person literally lasts a lifetime. And to those students here with us today let me recognize your accomplishments -- but let me ask something else as well. Just as you've been helped along the way, make it your mission to reach out your hand to all the other kids like you who have everything they need to succeed except encouragement.

So once again, I really wanted to come over here, Jock, to thank you, to thank the other governors and senators that are with us here today -- thank you for all you're doing to help the kids of this country. May you all have a wonderfully merry Christmas. And may God bless the United States. Thank you very, very much.
(Applause.)

END

12:50 P.M. EST