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Collection/Office of Origin: Office of the President
Series: Daily Files
Subseries:

OA/ID Number: 90614
Folder ID Number: 90614-002

Folder Title:
Friday, August 16, 1991

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Withdrawal/Redaction Sheet
(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Log	White House Telephone Log [Signal Switchboard] [redaction of personal information] (1 pp.)	08/16/91	(b)(6)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Friday, August 16, 1991

Pinksheet Number: dw2228

OA/ID Number: 90614-002

Date Closed: 3/18/2013

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

Withdrawal/Redaction Sheet

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WHORM Cat.:

File Location: Friday, August 16, 1991

Date Closed: 3/18/2013	OA/ID Number: 90614-002
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

(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

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PRM. Removed as a personal record misfile.

THE WHITE HOUSE

WASHINGTON

TELEPHONE MEMORANDUM

SIGNAL SWITCHBOARD

August 16, 1991

	TIME		NAME	ACTION
	PLACED	DISC		
QUT	7:17 AM	7:17	Major David F. Bonwit Office, Kennebunkport, Maine Kennebunkport Signal 4-0381	Tlkd-ok 7:17 AM
INC	PM			
QUT	8:27 AM	8:29	Mr. Marvin P. Bush En route Residence	Tlkd-ok 8:28 AM
INC	PM		(b)(6)	via Cellular Phone
OUT	9:45 AM	9:48	Mr. Charles G. Untermeyer Office, Washington, D.C. 456-7060	Tlkd-ok 9:46 AM
INC	PM			
OUT	AM		Ms. Patty Presock Office, Washington, D.C. White House Signal 7-2199	Tlkd-ok 12:04 PM
INC	12:03 PM	12:11		
QUT	AM		Governor John H. Sununu Lebanon, New Hampshire Pay Phone (Number not available)	LW with Ms. Casey 5:36 PM Tlkd-ok 7:09 PM
INC	5:35 PM	7:11		
QUT	AM		Secretary Nicholas F. Brady (b)(6)	LW with Ms. Casey 6:38 PM Tlkd-ok 7:12 PM
INC	6:38 PM	7:19		
OUT	AM			
INC	PM			
OUT	AM			
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Bush Presidential Library Photocopy



News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, AUGUST 16, 1991
6:00 A.M. EDT EDITION

INTERNATIONAL NEWS

ISRAEL DENOUNCES KIDNAPPERS, SEES LONG ROAD AHEAD -- Israel moved Thursday to dash expectations for a speedy end of the hostage crisis, with ministers leveling their sharpest attacks on the kidnappers since the latest spate of hostage releases. (AP)

ISRAEL SAID TO BE EXPELLING PALESTINIANS -- Israel has renewed its controversial practice of expelling Palestinians from the occupied territories for failing to meet strict residency requirements, a policy that threatens many families with forced separation, according to Israeli human rights and legal advocacy groups.

(Washington Post, AP)

NATIONAL NEWS

RARE PACT REACHED TO FIGHT SMOG -- In a rare accord between historic rivals, representatives of the oil industry and national environmental groups reached agreement Thursday on a program to supply cleaner-burning gasoline to the smoggiest cities starting in 1995.

(Washington Post, AP)

CBO SEES LARGER, LONGER DEFICIT -- A faltering economy, weak tax collections and rapid growth in Medicaid costs will push the federal deficit to a record high next year and delay a balanced budget until well into the future, the CBO said Thursday.

(Washington Times)

NETWORK NEWS (Thursday evening)

IRAQ/OIL SALE -- The Security Council passed a resolution permitting Iraq to sell a limited amount of oil for humanitarian purposes.

HOSTAGES -- Secretary General Perez de Cuellar is still hopeful of making a deal but it may take weeks.

UNEMPLOYMENT BENEFITS -- The President will block any extension of jobless benefits for the long-term unemployed.

INTERNATIONAL NEWS...A-1

NATIONAL NEWS.....A-6

NETWORK NEWS.....B-1

INTERNATIONAL NEWS

ISRAEL DENOUNCES KIDNAPPERS, SEES LONG ROAD AHEAD

JERUSALEM -- Israel moved Thursday to dash expectations for a speedy end of the hostage crisis, with ministers leveling their sharpest attacks on the kidnappers since the latest spate of hostage releases.

"Perhaps, through talk, headlines, coverage on radio and television, we are raising hopes which we may be unable to sustain," Defense Minister Arens said. "We must have patience," he said. "Meanwhile, no extra information has been gained as a result of the diplomatic activity of the U.N. secretary general," Perez de Cuellar. Perez de Cuellar said he was awaiting the Lebanese hostage-takers' reaction to Israel's demand for solid information on the status of seven Israeli servicemen missing in Lebanon.

Rejecting calls to free Arab prisoners as a one-sided gesture, Arens told reporters: "These terrorists, the Islamic holy warriors, are not people who are influenced by gestures. They are people who behave in a kind of beastly, inhuman fashion, and the only language they understand or the kind of orders they are likely to get, if they are to release the hostages, will come from Tehran and Damascus."

However, Prime Minister Shamir said Israel "will do everything" to get its prisoners back. Asked whether it would make gestures, he replied: "That is part of the negotiations."...

Thursday's changed tone could reflect annoyance that Israelis feel they are at square one, waiting for specific word on the missing servicemen.

(Marcus Eliason, AP)

U.N. Chief Remains Hopeful On Deal To Free All Hostages

GENEVA -- A deal that would free the 10 remaining Western hostages could still be weeks away, but it is nonetheless still likely to happen, U.N. secretary general Perez de Cuellar said Thursday....

The secretary general said he has told Iranian diplomat Kamal Kharazmi to pass word to the groups with information on the missing Israelis that they need only give Israel concrete evidence about the survival or death of the seven soldiers and the rest of the exchange will fall neatly into place. Asked how long the remaining talks could take, Perez de Cuellar said, "I don't know. Perhaps days or weeks, I don't know. It depends on how quickly I have reaction from both sides."...

Both Perez de Cuellar and Israeli negotiator Uri Lubrani said they leave Geneva far more optimistic than before that the deal will happen.... In Beirut Thursday, Shiite cleric Mohammed Mehdi Shamseddine, leader of the Higher Shiite Council in Lebanon, called for "the groups that have information on the missing Israelis to reveal the information to the U.N. secretary general." He told AP that it was "over-optimistic" to expect a quick release of hostages, adding, "I believe there's no hope for any hostage release in the coming two or three weeks, although I hope I'm wrong."

(Marc Fisher, Washington Post, A37)

U.N. Officials Say A Hostage Release Deal Could Take Days Or Weeks

DAMASCUS -- Officials at the center of delicate hostage negotiations said Thursday that a deal to win the freedom of Westerners in Lebanon could take "days or weeks," but they maintained that resolution of the crisis is still likely....

Apparently referring to Israel's demands for information on its missing soldiers, Syria's official government newspaper, Tishreen, Thursday charged in an editorial that Israel "has started submitting unattainable conditions and launching poisonous campaigns to cover its efforts to hamper the implementation of exchanging the detainees and those kidnapped." ...

Whatever the time frame, it does appear that all sides are intent on reaching a settlement. In an interview here Thursday, a Syrian official said his country "is very determined and will use whatever influence it has" to keep the process going.

Uri Lubrani, Israel's chief negotiator indicated similar resolve. He seemed Thursday to confirm media reports of a policy shift.

He told Israeli armed forces radio from Geneva that the government is adamant about first getting firm information about its seven soldiers and eventually getting back the men or their remains. "We will be very, very ready to help once we are convinced we have the information we want, and I am referring to the process of releases," he said. (Adam Pertman, Boston Globe)

Shi'ite Urges Accounting Of Israelis

BEIRUT -- With a proposed hostage-prisoner swap hinging on word of seven missing Israeli servicemen, Lebanon's top Shi'ite Muslim cleric, Sheik Mohammed Mehdi Shamseddine, called on Lebanese kidnappers Thursday to release information about the Israelis....

Also Thursday, Iranian Foreign Minister Ali Akbar Velayati said Tehran will continue efforts to free Western hostages but warned the captives cannot be freed until Israel is pressed to free Arab prisoners and a Shi'ite Muslim cleric, Sheik Abdul Karim Obeid. (Rima Salameh, Washington Times, A1)

NEGOTIATORS REPORT TO BAKER

Palestinian Arabs, the last holdouts, are still delaying their response to requests by Secretary Baker that they attend a Middle East peace conference with Israel, U.S. officials said Thursday.

The Palestinians are seeking a number of assurances, and discussed them with three American negotiators who met also in the area with Israeli and Jordanian government officials....

Israeli Defense Minister Arens said Israel would not object if Palestinians born in East Jerusalem but now living in Jordan attended the talks. But the Palestinians evidently want more than that before agreeing to participate in the peace conference.

"I don't believe they have given a final word," said a U.S. official, who spoke anonymously about the Americans' meeting last week with Palestinians Faisal Husseini and Hana Ashrawi.

(Barry Schweid, AP)

PASSPORTS STAMPED IN ISRAEL ACCEPTED BY 2 ARAB NATIONS

Sen. Lieberman said in Israel Thursday that his visit to Saudi Arabia and Kuwait this week marked the first time that either Arab nation had accorded entry to a visitor with an Israeli stamp in his passport.

"With that simple, but significant act of stamping my passport, Saudi Arabia and Kuwait have removed another obstacle from the road toward peace in the Middle East," Lieberman said at a Tel Aviv news conference. (AP, Washington Times, A7)

ISRAEL SAID TO BE EXPELLING PALESTINIANS**About 20 Women Ordered To Leave Occupied Land, Groups Report**

JERUSALEM -- Israel has renewed its controversial practice of expelling Palestinians from the occupied territories for failing to meet strict residency requirements, a policy that threatens many families with forced separation, according to Israeli human rights and legal advocacy groups.

The human rights group B'Tselem said Thursday at a press conference that in recent weeks military authorities have ordered at least 20 Palestinian women to leave the occupied West Bank and Gaza Strip with their children because temporary visitors' permits they hold have expired....

B'Tselem and the Association for Civil Rights said that, in response to their complaints, the legal adviser to the West Bank's military administration had pledged that deportation orders would be suspended. Nevertheless, the groups said, "to the best of our knowledge there have been additional cases of deportation, the details of which have not reached us."

(Jackson Diehl, Washington Post, A37)

Rights Group: Palestinian Women And Children Being Expelled

JERUSALEM -- Israel has resumed expelling Palestinian women and children without residence permits despite a promise to the Supreme Court to stop doing so, an Israeli human rights group said. Thursday.... Most expulsion orders were issued in the West Bank's Tulkarem district....

Military government officials said Thursday the new deportation orders were suspended, and that each case is under review. "I think some mistakes were made in the Tulkarem area," said Hanan Rubin, a military government spokesman.

(Karin Laub, AP)

U.S. SAYS IRAQI-KURDISH TENSIONS MOUNT

U.S. officials expressed "concern" about the growing military standoff between Iraqi troops and Kurdish rebels near the northern Iraqi city of Kirkuk, which is not being guarded by U.N. troops....

The State Department said in a prepared statement, "We understand that there have been minor clashes between armed Kurds and Iraqi government forces in the area over the last week, but we are not aware of any widespread fighting in the Kirkuk area."

"We are concerned about these reports and we are monitoring the situation," the spokesman, Richard Boucher, said.

(Steven Heilbrunner, UPI)

**U.N. SETS CURBED SALE OF IRAQI OIL
Security Council Condemns Baghdad On Nuclear Program**

U.N. -- The U.N. Thursday authorized Iraq to sell up to \$1.6 billion worth of oil to buy food and medicine for its war-ravaged population, but it also unanimously condemned the Baghdad government's failure to give the world body full details of its clandestine nuclear weapons program.

In addition, the council set a 30 percent ceiling on the amount of income from Iraqi oil sales to be allotted as reparations for damages caused by Baghdad's invasion of Kuwait and the ensuing Gulf War....

One resolution adopted Thursday demanded that Baghdad "provide full, final and complete disclosure...of all aspects of its programs to develop weapons of mass destruction and ballistic missiles with a range greater than 150 kilometers."

It also insisted that Iraq "cease immediately any attempt to conceal" research work on nuclear, biological, chemical or ballistic missile programs and to give U.N. inspectors complete access to all parts of the country.

(John Goshko, Washington Post, A1)

Security Council Approves Iraqi Oil Sale Plan

U.N. -- U.S. Ambassador Pickering said, "Iraq is being given an opportunity to help its own people, with safeguards, given that the regime of Saddam Hussein cannot be trusted."

"This is not a resolution lifting sanctions. In fact, it will strengthen the sanctions by preventing the Iraqi government from seeking political gains through the misery of the Iraqi people, which it has caused."...

State Department Boucher declined to say whether the Bush Administration would support using force against Iraq if it refused to make the oil purchases to buy food, medicine and other goods needed by its population. (AP)

Iraq: Limits On Profits Are 'Poison' Pill

U.N. -- ...Iraq's U.N. ambassador, Abdul Amir Anbari, said his country's resources are being held hostage but refused to flatly reject a potential \$1 billion in profits....

Anbari called the plan "poison." He said Iraq's choice is to allow "colonialists" to "plunder its oil revenue or keep it in a state of starvation."

(Lee Katz, USA Today, 1A)

ANGRY ETHNICS

White House speechwriter Tony Snow and Soviet-watcher Ed Hewett meet with Ukrainian-Americans to calm their outcries that President Bush's remarks on his Soviet trip undercut Soviet republics' independence efforts. Aides say Bush was misinterpreted. "There are a lot of angry Ukrainian-Americans out there," says one of their spokesmen, George Nesterchuk.

(Wall Street Journal, A1)

SOVIET ROCKET CARRIES U.S. OZONE DEVICE

MOSCOW -- A Soviet rocket carrying a U.S. ozone-measuring instrument lifted off Thursday in the first major space project between the two nations in 16 years. (AP, Washington Post, A4)

RUSH JOB ON NUCLEAR PACT PRODUCES DELAYING GLITCHES

The final stage of negotiations of the new U.S.-Soviet nuclear weapons reduction treaty was so rushed that officials were unable to finish proofreading the accord before it was signed and must now correct a series of glitches and textual errors, according to U.S. officials....

U.S. officials said the corrections are not important enough to require that the accord be signed again. But they said the Bush Administration plans to send a lawyer, interpreter and typist to Moscow next week to obtain Soviet approval of the revisions.

Chief U.S. treaty negotiator Linton Brooks said this week in a telephone interview that "to the best of my knowledge, there are no substantive issues" surrounding the proposed corrections. But he added that "we are still plowing through the text."

(R. Jeffrey Smith, Washington Post, A20)

**RESTRICTIONS APPROVED ON COVERT ACTION
Bush Signs Revision Of CIA Oversight**

President Bush Thursday approved the first major revision of Congress's intelligence oversight machinery in more than a decade, laying down new restrictions on covert action that are intended to prevent a repetition of the Iran-contra scandal.

But in announcing that he had signed the legislation, Bush issued a statement expressing strong distaste for various, unidentified provisions and criticizing as "unnecessary" the bill's central attempt to define "covert."

The statement produced some puzzlement on Capitol Hill. One senior congressional staff aide called it "bizarre" and said "it sounds like the President is saying, 'I'm signing this, but I'm doing it under duress.'"...

Rep. McCurdy said the reforms in the bill "represent real progress" in the intelligence oversight system. Sen. Boren said he was pleased that Bush and the Congress were able "to find common ground" despite lingering technical differences.

(George Lardner, Washington Post, A22)

**S. AFRICAN ACCORD DRAFTED
Pact Targets Violence In Black Townships**

JOHANNESBURG -- The South African government, the ANC and the Inkatha Freedom Party have agreed on a draft peace accord that they believe is a breakthrough in efforts to end the violence plaguing South Africa's black townships, according to a joint statement issued Thursday.

(John Matisonn, Washington Post, A40)

EDITOR'S NOTE: "Navy War On Drugs Foundering," by Michael Isikoff, appears in The Washington Post, page A27.

NATIONAL NEWS

BUSH WON'T EXTEND UNEMPLOYMENT BENEFITS, AIDES SAY President Expected To Sign Bill Without Declaring The Spending An Emergency, Thus Blocking The Measure

KENNEBUNKPORT -- President Bush will not approve extending unemployment benefits up to 20 weeks for millions of Americans thrown out of work by the recession, senior White House officials said Thursday.

Bush will sign the \$5.2 billion measure approved by Congress to blunt Democratic charges that he is unresponsive to the plight of the 3 million unemployed Americans whose benefits will have run out by September but will not declare the spending to be an emergency, effectively nullifying it, the officials said....

The Labor department said Thursday that for the week ending August 3, the number of Americans filing new claims for unemployment benefits increased by 8,000 from the week before to 408,000.

Reps. Foley and Gephardt and Sen. Mitchell wrote Democratic governors and mayors asking them to press Bush to implement the measure.

"We believe if anything counts as an emergency, it is the tragic plight of over 3 million Americans who have lost their unemployment benefits in the last year and the 3.4 million more who are expected to do so in the coming year," they wrote.

(John Yang, Washington Post, A7)

Bush Said Ready To Block Extension Of Jobless Benefits

KENNEBUNKPORT -- ...Bush actually plans to sign the \$5.2 billion bill to extend the benefits but, in a twist reflecting the political nature of its wording, will refuse to declare a financial emergency, which would trigger the implementation of benefits, said one official anonymously....

Democrats have charged that Bush is ignoring the needs of the unemployed.

Rep. Bonior said Bush needs only to look around his Maine vacation home "to see that the recession hasn't ended just because he said it has."

Sen. Kennedy called on Congress to pass the legislation again when it returns in September from a summer break, overriding the President's veto if necessary to enact it.

Sen. Kennedy said in a statement that Bush is showing "callous disregard for the plight of unemployed workers and families who need help on his own doorstep across America." (Rita Beamish, AP)

Bush Will Refuse To Declare Emergency And Free Up Money, Officials Say

KENNEBUNKPORT -- ..."If President Bush does not believe this is a true emergency, he should come to Massachusetts," which has lost over 275,000 jobs in the past two years, Sen. Kennedy said from Washington Thursday.

(Michael Kranish, Boston Globe)

Bush To Refuse Money For Expanded Unemployment Benefits

KENNEBUNKPORT -- Rejecting a plea from the jobless, hundreds of whom plan to rally outside his summer home Friday, President Bush has decided to withhold money from a bill that would expand unemployment benefits, a White House official said Thursday....

Keith Brooks, a coordinator of the New York Unemployed Committee, complained, "Maybe the President knows something that 8.5 million Americans don't: where to find a job."

"We'll be bringing resumes and asking the President, 'Where do we find work?'" Brooks said.

In addition to Brooks' group, others who organized the demonstration included the Maine AFL-CIO, the Long Island Progressive Coalition and the Philadelphia Unemployment Project, he said. (Thomas Ferraro, UPI)

RARE PACT REACHED TO FIGHT SMOG

Environmentalists, Oil Firms Agree On Gasoline Standards

In a rare accord between historic rivals, representatives of the oil industry and national environmental groups reached agreement Thursday on a program to supply cleaner-burning gasoline to the smoggiest cities starting in 1995....

Gasoline reformulated to meet the new standards is expected to cost 4 to 5 cents a gallon more....

"What each side wanted was compatible with what the other side wanted," said David Doniger, the Natural Resources Defense Council representative. "We wanted cleaner gas and they wanted certainty and flexibility. There are times when you don't have a win-lose situation." (Michael Weisskopf, Washington Post, A1)

Industry, Environmentalist Agree On Sale Of Cleaner Burning Car Fuel

...The pact represents "the most inexpensive thing we can do to clean the air," assistant EPA administrator for air, William Rosenberg said. (Charles Campbell, AP)

CBO SEES LARGER, LONGER DEFICIT

A faltering economy, weak tax collections and rapid growth in Medicaid costs will push the federal deficit to a record high next year and delay a balanced budget until well into the future, the CBO said Thursday.

The red ink will total \$362 billion in 1992, up from a projected \$279 billion this year, CBO said in its midyear review of the budget and the economy.

While the Administration predicts a steady decline to \$55 billion by 1996, CBO projected a \$156 billion deficit in that year and continuing shortages in the range of \$170 billion to \$190 billion. (AP, Washington Times, A5)

'92 ELECTION FUNDS: A MATCH NOT MADE IN HEAVEN
New Administration Regulations On Campaign
Money Favor Bush, Dismaying Democrats

New Bush Administration regulations for managing the public fund that underwrites presidential campaigns, approved over the objections of the Federal Election Commission, favor candidates who can raise large amounts of money early in next year's campaign, especially President Bush....

FEC Chairman John McGarry said in a recent interview, he did not know if the Treasury Department set out to write rules that favor the incumbent president. "I don't know their decision-making process over there," the chairman said.

An Administration official anonymously said the department was only trying to comply with federal statutes and did not intend to create an advantage for Bush....

"The impact of the present Treasury regulations is clearly partisan," said DNC chairman Ron Brown....

"I think one has to be suspicious about the Administration setting the rules for its own campaign," said Dennis Kanin, Paul Tsongas's campaign manager....

McGarry said the Treasury Department's and the FEC's different interpretations of the law could serve as the basis for disgruntled Democratic candidates to challenge the Administration regulations. "I think there are going to be a lot of lawsuits if all of this comes about," the FEC chairman said.

(Mark Stencel, Washington Post, A27)

HARKIN, BROWN BLAST REPUBLICANS

ST. LOUIS -- Sounding like the presidential candidate that he hints he soon will become, Sen. Harkin called here Thursday for Democrats to be proud of their heritage and "hit the Republicans between the eyes."

A similar message came later Thursday from former Governor Jerry Brown of California, who admits contemplating running for President or the U.S. Senate....

Among other things, Harkin said, Democrats need to attack the Bush Administration's "distortions" about the true state of the nation's economic health.

"We're in a depression, not a recession," he said. "The Republicans are trying to paper it over" to make the economy look better of the 1992 presidential elections, Harkin alleged....

The Republicans, he contended, "are the ones creating the welfare state. They put all that money at the top" to benefit the rich....

Harkin accused President Bush of developing domestic programs for foreign countries, when "the challenges to America are not halfway around the world, they're halfway down the block."

(Jo Mannies, St. Louis Post Dispatch)

Possible Presidential Candidate Espouses Liberal View

ST. LOUIS -- ...Sen. Harkin's stump speech sounds like a recipe for winning. He talks about a strategy of a soft heart and steel fists, offering compassion for working people and vowing to defend himself vigorously against any Republican attack that he is a shopworn liberal out of touch with the American mainstream....

"...If you want to spend \$160 billion a year of your money defending Europe from the Soviet Union, then take your ballot and put it in the Bush box. If you believe like me that Europe can take care of itself...and you are for better education and health care, then take the ballot and put it in the Democratic box."

(Michael Tackett, Chicago Tribune)

**CLINTON FORMS COMMITTEE TO WEIGH PRESIDENTIAL BID
Arkansas Democrat To Decide Next Month**

Governor Clinton announced Thursday that he is forming a presidential exploratory committee and said he will decide next month whether to run for the 1992 Democratic presidential nomination....

Clinton said at a news conference that under President Bush's leadership, there is "no national vision, no national partnership, no national direction, no national policy" to confront crucial problems facing the country.

"I really believe that being a governor gives me a unique perspective because I have to go to bat everyday and succeed and fail on the problems that really are...central to our country's future."

Clinton said that, if the presidential election were held now, Bush would win. "But nobody has made the alternative case in a long time," he added....

Most of Clinton's advisers believe that he will join the contest for the nomination. (Dan Balz, Washington Post, A4)

Arkansas Governor Forms Exploratory Committee, A Preliminary Step To Candidacy

The slow-starting Democratic presidential campaign picked up momentum Thursday as Gov. Clinton announced he is forming an official exploratory committee, a preliminary step on the way to a formal declaration of candidacy.

Clinton also resigned as chairman of the Democratic Leadership Council. This was taken as a strong sign that he intends to run, since it effectively disassociates him from any single wing of the party....

Clinton's strengths include his personal charm and intelligence, his speaking ability and his record as a can-do chief executive in Arkansas.

On the liability side, he is almost unknown outside Arkansas and party circles. He has no military or foreign policy experience. And he may be regarded as too conservative by liberal Democratic activists who dominate the nominating process.

(Robert Boyd, Knight-Ridder)

Arkansas Governor Moves Toward Presidential Bid

LITTLE ROCK -- ... "The country is not going in the right direction economically," he said. "We need to make a decision to be a high-growth, high-opportunity, high-wage country, not a hard-work, low-wage country, which is what life has become like for so many millions of Americans." (Joel Williams, AP)

**TSONGAS SAYS SHORTAGE OF CANDIDATES
MAKES DEMOCRATS SEEM 'TIMID, CAUTIOUS'**

Frustrated at being the Democrats' lone presidential candidate, Paul Tsongas has scrapped the 11th commandment of politics: thou shall not speak ill of fellow party members.

"We look timid and cautious and insecure," Tsongas said Wednesday on Capitol Hill....

Tsongas' outspokenness also reflects a growing uneasiness among Democrats concerned that their eventual nominee won't have the time or resources to mount a serious challenge to the popular President Bush....

DNC spokesman Jim Desler rejects the pessimists' arguments. "Eventually there will come a time when, if there are no candidates, it will hurt the party. But not yet."

Tsongas is taking too narrow a view, he said. Other Democrats are focusing on the middle class, civil rights and what many in the party see as President Bush's domestic failings, Desler said.

(Susan Feeney, Dallas Morning News)

BUSH TO TAKE ELECTION THEMES FOR A ROAD TEST

KENNEBUNKPORT -- President Bush will hit the road next month to test themes for his 1992 re-election campaign and fight Democratic charges that his Administration has no domestic policy, according to senior Administration officials....

"We want to demonstrate that we are serious about domestic policy," said one official....

"There will be a certain amount of finger pointing" at Democrats who have thwarted the President's domestic agenda, "but we will also focus on looking forward," said another official....

Several officials said the 1992 campaign will echo those of former President Reagan, who shunned specific issues and talked broadly about the direction he wanted to take America.

(Paul Bedard, Washington Times, A1)

WAR VOTE BIG ISSUE FOR GOP

A new poll being circulated among Republican and White House strategists found that Democratic opposition to the use of force in the Gulf is emerging as a potentially powerful GOP weapon in next year's elections.

The most significant finding in the latest GOP poll, conducted by Public Opinion Strategies, showed that Republicans who supported the use of military force in the Gulf hold a 33-point lead over Democrats who opposed.

"The Gulf War vote remains a political time bomb for Democrats who opposed the President," said a memorandum detailing the poll's findings.

(Donald Lambro, Washington Times, A1)

DEMOCRATS RAP ADMINISTRATION ON DROUGHT AID

With corn, soybeans, fruits and vegetables withering in fields from Nevada to Pennsylvania, Democrats are complaining that the Bush Administration is responding too slowly to the drought this summer....

Sen. Wofford accused the Administration Thursday of dragging its feet in providing federal disaster assistance to Pennsylvania farmers.

"The Administration wants to give unconditional MFN trade status to China," he said. "I think it's time to give Most Favored Neighbor status to America's farmers."...

Like Wofford, Rep. Jontz would also like to see the White House get behind congressional efforts to pass a \$1.75 billion emergency disaster bill for farmers. (Jennifer Dixon, AP)

RECOVERY LIKELY TO BE SLOW AND FRAGILE, 3 FED BANK PRESIDENTS SAY

MADISON, WI -- A recovery from the recession is likely to be slow and fragile, with the danger that a major adverse development could cause a new downturn, three Federal Reserve Bank presidents predicted.

"I don't anticipate a double-dip," said Silas Keehn, president of the Federal Reserve Bank of Chicago.

Keehn tempered his forecast with "a caveat: this economy is very susceptible to an unexpected shock, such as the Middle East crisis which occurred last year."

W. Lee Hoskins, president of the Federal Reserve Bank of Cleveland predicted that the upturn will be "modest by historical standards."...

Ed Boehne, president of the Federal Reserve Bank of Philadelphia said, "We sense that the recession has bottomed out." "But the signals of an upturn are mixed. There's not a lot of evidence yet."...

"As a Fed watcher, it's my sense they are relatively happy about where we are," said New York economist David Jones of Aubrey Lanston & Co., who moderated the panel.

(William Gruber, Chicago Tribune)

GOVERNORS' PLAN TO TAKE LEAD IN U.S. HEALTH CARE REFORM

SEATTLE -- State governors are considering a plan that would vault states into the forefront of reforming the troubled \$600 billion-a-year U.S. health care system in a bid to provide universal access within a decade.

The National Governors' Association is set to vote on the plan in a conference that begins here Saturday with a meeting of its Health Care Task Force....

Dr. Robert Crittenden, a special assistant to Gov. Gardner of Washington, said efforts by Congress and the Bush Administration to reform the health care system have been inadequate to deal with the growing problems....

"The states are more reality driven because we've got to balance our budgets," Gardner said. "The White House...doesn't want to tackle the problem until after the (1992) election -- and probably later rather than sooner." (Samuel Perry, Reuter)

GOVERNOR'S DON'T AGREE WITH THE WHITE HOUSE'S ROSY VIEW OF ECONOMY

While the White House trumpets an end to the recession, governors are painting a far less rosy picture of economic conditions in the states....

Nearly half the nation's governors say their states are in a recession, and even the governors who see signs of an upturn aren't predicting a dramatic economic resurgence. This was discovered from an AP survey the governors responded to on the eve of the annual summer meeting of the National Governors' Association.

(Donald Rothberg, AP)

BUSH ON VACATION: MEASURE OF A MAN**President's Elitist/Everyman Character On Display In Maine**

KENNEBUNKPORT -- ...President Bush's vacations in this picturesque seaside village on the craggy Maine coast seem to underscore the odd mixture of elitist and everyman that has characterized his life and political career, a mix of the wealth and style of F. Scott Fitzgerald and the boyish adventures of Mark Twain....

Bush is a man of simple, unsophisticated pleasures and tastes. Bush, despite his wealth and station, seems down-to-earth and readily accessible.

"I'll play a good deal of golf here," Bush said as he has begun his month's vacation, "a good deal of tennis, a good deal of horseshoes, a good deal of fishing, a good deal of running -- and some reading. I have to throw that in for the intellectuals out there."...

Bush's aides "know why I love the place and they know that I'm going to make them let me come back," he told the townspeople in an emotional homecoming after the 1988 election. "And I'm going to do that regardless of what the problems are. Because everybody gets strength from family, faith and friends."

(John Yang, Washington Post, A1)

Bush Has Little To Do On Vacation Except Vacation

KENNEBUNKPORT -- President Bush, relegated to the sidelines on the Middle East hostage crisis, has found little to do on his vacation except vacation.

It's an unusual predicament for the hyperactive chief executive.

Bush's days are falling into such a pattern of sameness -- golf, tennis and boating, over and over again -- that aides have been hard pressed to find new settings to make him look more "presidential."...

Bush hasn't had much to say on the hostage crisis, even though he's asked about it every day. The U.S. hasn't found an active role it can play in efforts to arrange a comprehensive settlement to the crisis.

(Tom Raum, AP)

EDITOR'S NOTE: "Pennsylvania Avenue Vacancy," by John Yang, appears in The Washington Post, page A9.

BUSH SAYS HIS WIFE'S GOLF GAME "STUNK"

KENNEBUNKPORT -- Barbara Bush publicly needled her husband, the President, last week for never playing golf with her.

But President Bush got his revenge Thursday with a stinging public critique of his wife's golf game.

"She's recovering from her round of yesterday," Bush told reporters when asked why his wife had not joined him in a sunrise game near their vacation home.

"Which means, she stunk, and didn't want to play today," Bush said.

"No, let me rephrase that," the President added when members of the press corps burst into laughter. "She didn't have her finest outing yesterday."
(Susan Cornwell, Reuter)

EDITOR'S NOTE: "Personalities," appears in The Washington Post, page D3.

THORNBURGH LEAVES, PROUD OF HIS RECORD

Attorney General Thornburgh bid farewell to the Justice Department Thursday, saying he had done his best to "call 'em as we see 'em, without fear or favor from any quarter."...

"I am pleased to say that we can look back with real satisfaction on the progress made, with your invaluable help," he said. "There is much of which we can be proud."

(Jerry Spencer, Washington Times, A4)

NETWORK NEWS

(Thursday evening, August 15)

IRAQ/OIL SALE/SECRET WEAPONS

ABC's Sam Donaldson: Six months after the war in the Persian Gulf ended and with Iraq's economy in a state of collapse, the United Nations tried to walk a tightrope today -- to come to the aid of those people in Iraq who face starvation and disease, without letting Saddam Hussein get his hands on any of the money or take credit for any of the aid. The Security Council passed a resolution permitting Iraq to sell a limited amount of oil for the purposes of filling desperate civilian need.

ABC's David Ensor reports the UN plan would have the effect of weakening the Iraqi regime by taking away its power to decide who gets food and who doesn't. Up to \$1.6 billion worth of Iraqi oil would be sold, with the money being controlled by the UN. In 20 days' time, UN officials and volunteers would begin distributing food and medicine. U.S. officials say unless Saddam allows the oil sale to go ahead, he will be held responsible for starving his own people.

(Spokesman Boucher, State Department: "We want the Iraqis to take it seriously and we want them to consider carefully whether they do have any sincere concern for their people and addressing the needs of their people.")

Some of the money from the oil sale would also help pay for UN teams looking for Iraq's weapons of mass destruction and for compensation to Kuwait. Iraq's government is furious.

(Amb. Anbari: "We believe that they are taking the Iraqi population as hostage and they are asking for a ransom, and the ransom is the oil source of Iraq.")

Earlier, Iraq's UN ambassador suggested his government might refuse to pump the oil if it could not control the proceeds. But today, he left unclear whether Iraq will ultimately go along with the plan. If the regime refuses to cooperate and there is widespread hunger, U.S. officials hope Saddam will be held accountable by his people and by the world. (CBS-3, ABC-Lead)

ABC's Bob Jamieson reports UN inspectors say they still have only partial answers to their questions about secret weapons.

(Rolf Elkens, UN: "Three grams [of] plutonium is not much as such, but it means that there is something going on. Still, we have no full explanation or satisfactory explanation of what's going on.") Inspectors are suspicious because more plutonium or devices to detonate a nuclear weapon have not been found.

(Paul Leventhal, Nuclear Control Institute: "We have to know what we don't know and realize that with each new discovery, we find that the program was more ambitious and more effective than had been previously anticipated.")

Iraq has also disclosed one biological weapons lab, with equipment to produce anthrax and botulant toxins.

(David Kelly, UN: "That is capable of producing vast quantities of biological warfare agents and certainly provided a capability to have a limited number of biological weapons.")

-more-

Jamieson continues:

U.S. officials say they are not satisfied with the progress of inspection.

(Boucher: "Based on the pattern of Iraqi behavior, there is every reason to believe that they have not yet disclosed all their capabilities.")

To keep up the pressure, today's Security Council resolution promises stepped-up inspection, including U-2 surveillance. But the experience of the last year gives little assurance the UN will find anything the Iraqis want to hide. (ABC-2)

HOSTAGE SITUATION

Donaldson reports if there's any movement on the hostage situation, it's well out of site. UN Secretary General Perez de Cuellar has left Geneva for a few days of vacation. He still says he's hopeful of arranging a deal, but it may take weeks. The next step appears to be up to those militants in Lebanon who have information on the seven missing Israeli servicemen. Today in Lebanon, the country's leading Muslim cleric said for the first time that those militants should disclose everything they know. (ABC-3)

NBC's Martin Fletcher reports on the hostage situation.

(Uri Lubrani, Israeli negotiator: "We've made gestures. They did not bring us anything and now it's time for the other side to show that they mean business.")

(Perez de Cuellar: "Now we are embarking on -- how can I put it? -- a quiet diplomacy.")

Everyone's trusting in the UN.

(President Bush: "I would certainly -- the secretary general seems to have the confidence of all the parties, so that's the major chance now for more release.")

As the hostages in Lebanon and the prisoners in Israel can only wait, Israel and the Islamic Jihad today said exactly the same thing: The ball's in the other side's court and it's up to the UN to sort it out. (NBC-4)

CBS's Allen Pizzey reports relatives of the Western hostages tried to send a message of hope to the Beirut underground today. A BBC program, presented by Terry Waite's cousin John and featuring his brother David, was part of the ongoing effort to keep hope alive on all sides. (CBS-4)

ISRAEL/GENERAL ELECTRIC

NBC's Faith Daniels reports the Justice Department has accused General Electric of defrauding the Pentagon of \$32 million in the sale of jet engines and support services to Israel. The lawsuit says GE officials inflated the cost by 19 percent. (NBC-5)

UNEMPLOYMENT BENEFITS

CBS's Dan Rather reports the number of Americans making their first claims for unemployment benefits is up again after two weeks of decline. A spokesman for President Bush said the President will block any extension of jobless benefits for the long-term unemployed. (CBS-7)

HOUSING STARTS/BUDGET DEFICIT

Daniels: All through the spring and summer, we've seen conflicting economic numbers, and tonight we have two more sets of figures that don't buck that trend. Housing starts were up last month, but at the same time the congressional budget office released figures predicting a budget deficit of \$362 billion, up more than \$60 billion in the last few months.

NBC's Mike Jensen reports housing starts were up 3.7 percent in July, the fourth straight increase. But while overall statistics are good, the housing picture across the country is still spotty (Rosanne Cahn, economist: "The indicators we think are most important -- of which housing is one, auto sales is another, consumer sentiment, manufacturing indicators -- those, on balance, suggest that the expansion is continuing and that the economy will get better as the year goes along.")

Not all economists are that optimistic, but they do say one positive indicator is that building permits for future housing construction were up in July for the sixth month in a row.

(CBS-6, ABC-6, NBC-Lead)

NBC's Irving R. Levine reports the big worry is that the growing budget deficit will drive up interest rates.

(James Davidson, National Tax Union: "The politicians are spending this country into bankruptcy and it's time that people got mad and upset about it.")

Those at the Federal Reserve say the deficit is like driving down the road when your gas gauge reads empty -- you say the car is running beautifully, why worry? The fact is that down the road, you will have something to worry about. That's true for the deficit, as well.

(NBC-2)

EPA/HAZARDOUS CHEMICALS

ABC's Ned Potter reports the government is taking a second look to see if some chemicals are really as hazardous as previously believed. The AMA says the government is forcing a tremendous waste of money by ordering asbestos removed from every building.

(Director Reilly, EPA: "We respond to sound science. When it changes, we'll change our regulatory policies.")

Many people are now questioning the government's response to environmental fears. Some in industry say government agencies have been panicking over relatively minor hazards.

(Edward Rimm, Council on Science and Health: "Sometimes, they will sort of dismiss what solid, peer-reviewed, mainstream science has to say and they will respond based on political pressure.")

But environmental activists say the government is now responding too much to business groups. Government officials are quick to say they are not suddenly declaring any chemical hazard over. They say: We still need to find out, but using science, not politics.

(ABC-8)

CLINTON/1992 CAMPAIGN

Rather reports Gov. Clinton said today he's exploring a run for the Democratic nomination. He said he'll have a decision by Labor Day.

(CBS-8)

-more-

SOVIETS/SATELLITE

Rather reports a Soviet rocket today carried a satellite into space in a joint effort with the U.S. to measure damage to the Earth's ozone layer. (CBS-11)

CHERNOBYL/SPILL

Rather reports Soviet television reports a spill of radioactive material at Chernobyl. It's said to be the next to lowest level of danger on the international scale, with little risk to the environment. (CBS-10)

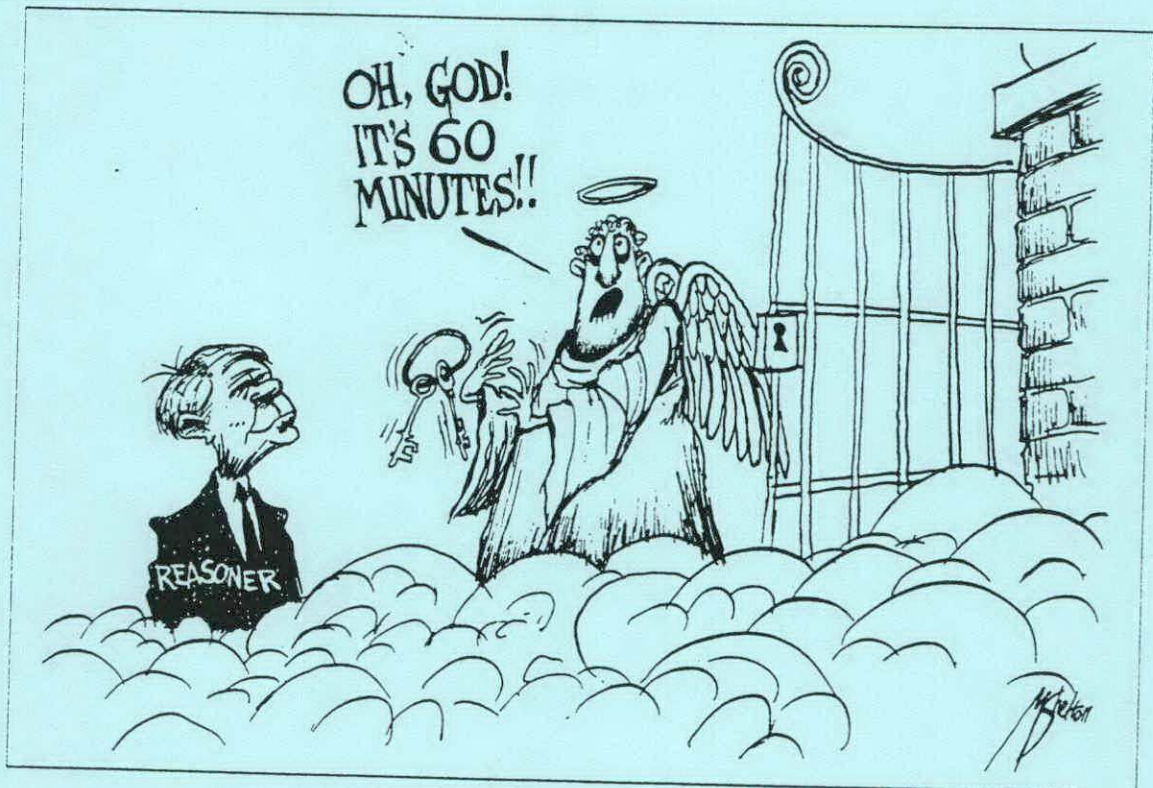
INSLAW CASE/JOURNALIST

CBS's Wyatt Andrews reports authorities in West Virginia ruled free-lance journalist Daniel Casolaro died of suicide, but family members claim he received death threats. Casolaro was probing a conspiracy he called the Octopus, which involved the Iranian hostage crisis and the Iran-Contra affair, with all funds channeled through BCCI. The common thread is the infamous Inslaw affair. Casolaro's theory was that right-wing zealots sold stolen Inslaw software for profit. The money went to Iranian officials, who supposedly delayed the release of the American hostages in 1980, and later went to the back-channel funding of the Contras. It's wild, but so many affidavits partly supporting each thread of the theory have been filed in the Inslaw case that Inslaw's lawyer, Elliot Richardson, believes Casolaro was close to something.

(Richardson: "And now we have with the death of Danny Casolaro what I think is a new and even more compelling reason for a full investigation.")

Either way, suicide or murder, investigators from both the House and the Senate are in line to see Casolaro's notes. (CBS-2)

Friday Follies



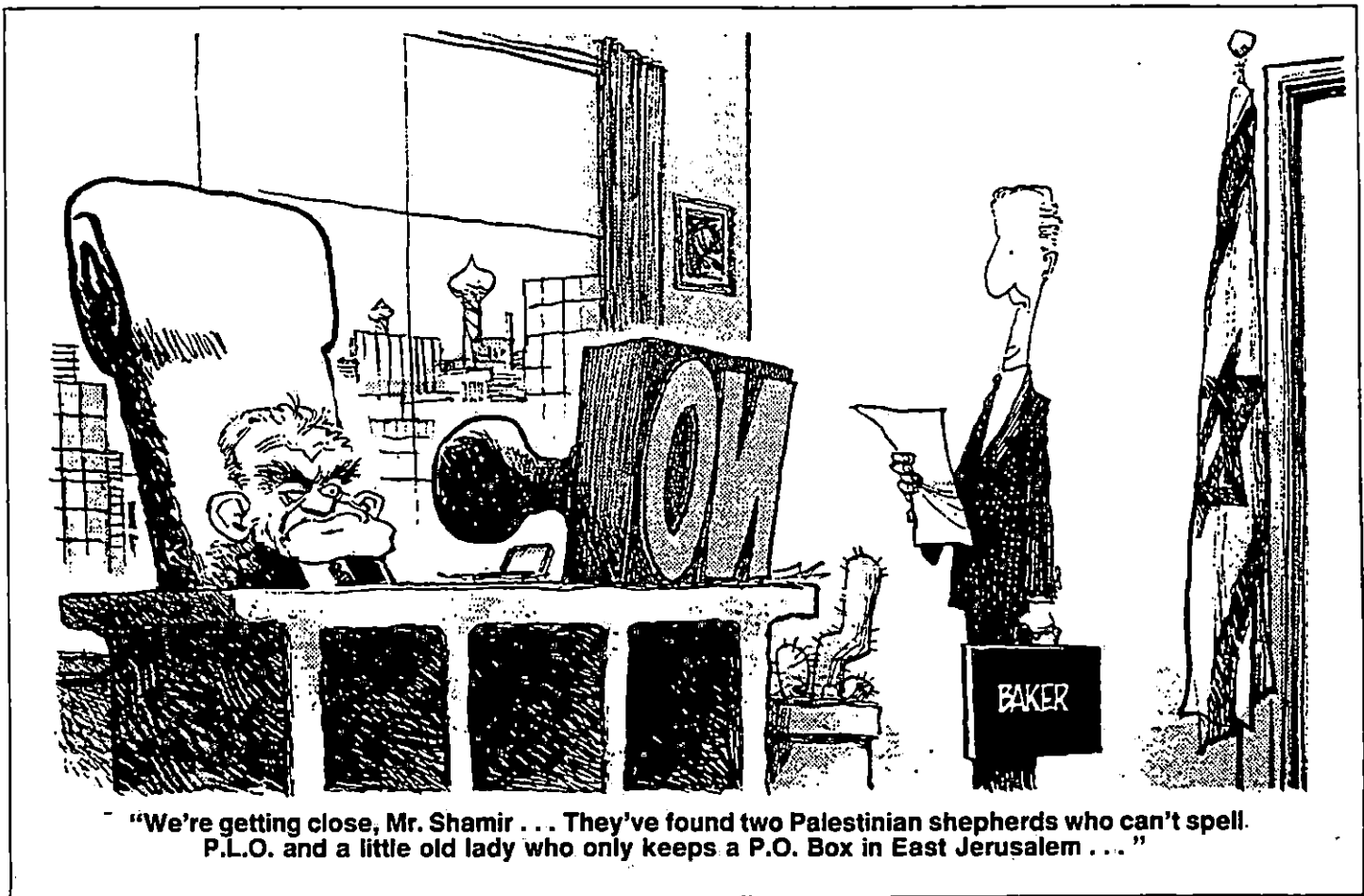
- a look at politics through the eyes of the political cartoonist -

"I don't care a straw for your newspaper articles. My constituents don't know how to read. But they can't help seeing them damned pictures."
(William Marcy "Boss" Tweed speaking of Thomas Nast, 1871)

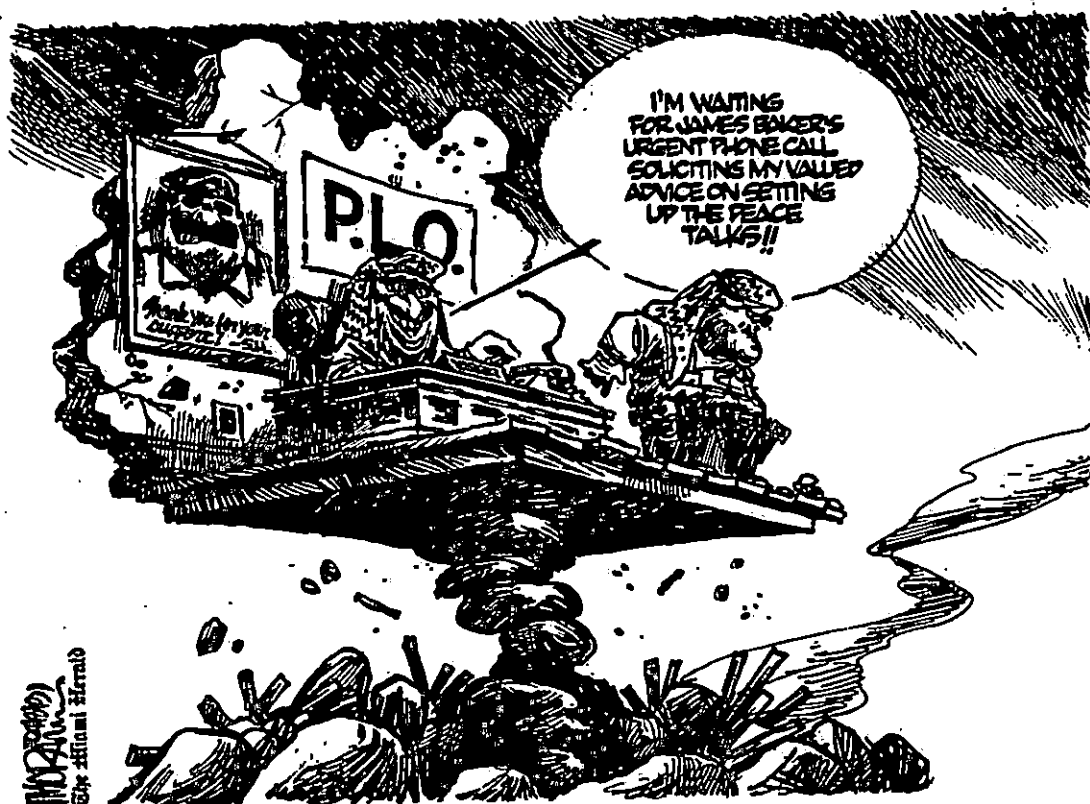
WHITE HOUSE NEWS SUMMARY SPECIAL EDITION
VOLUME III ISSUE 33 -- August 16, 1991

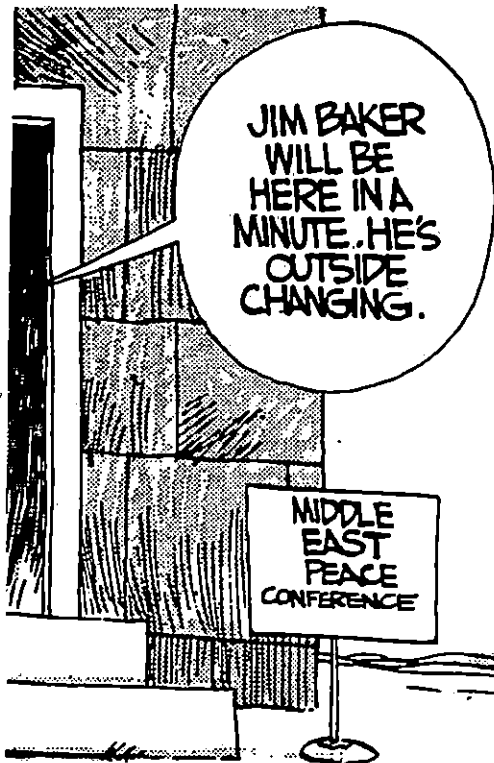
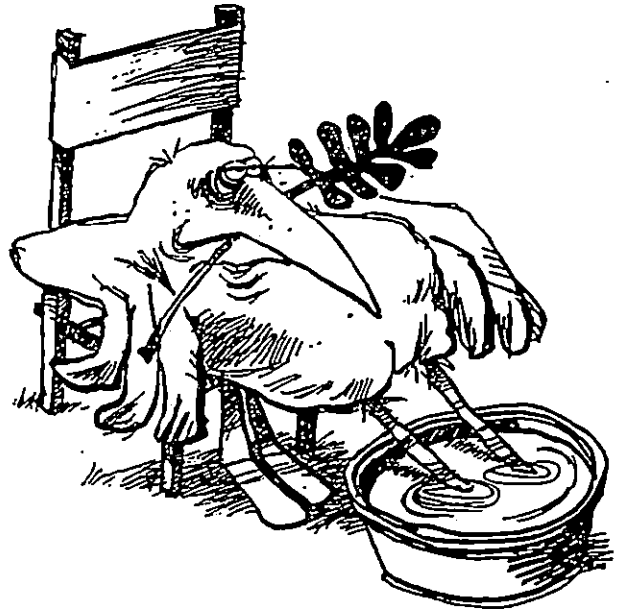
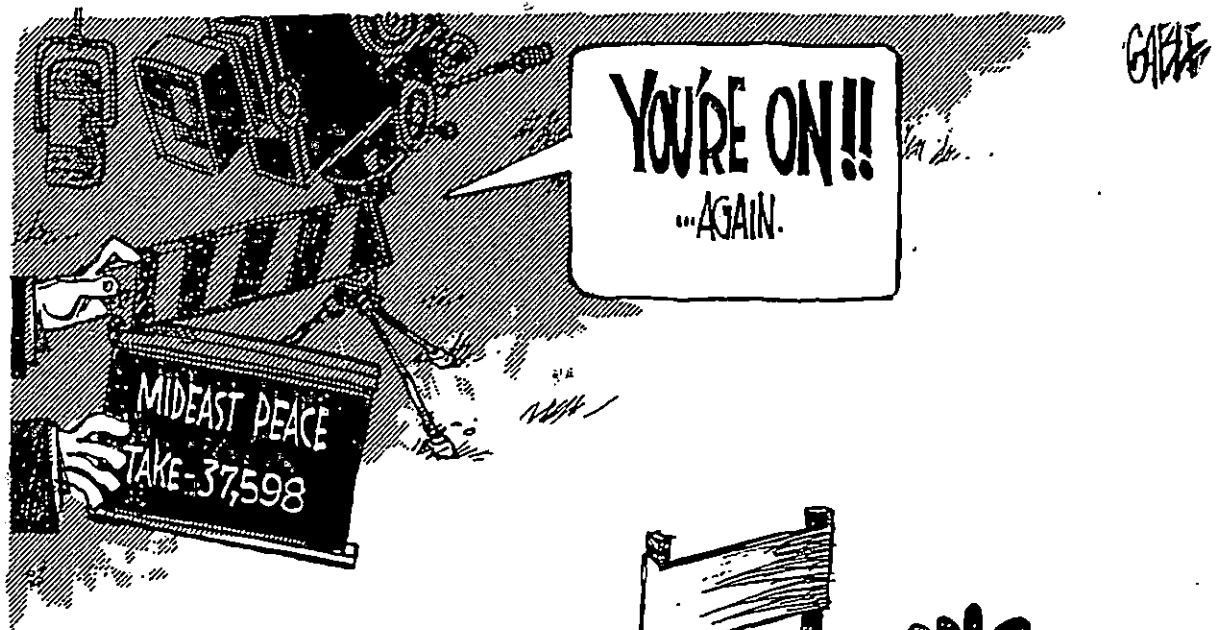
YOU RELEASED TWO WESTERN
HOSTAGES?! YOU'VE GOT TO STOP
SPENDING LIKE THIS! WE'LL BE
FLAT BROKE IN NO TIME!





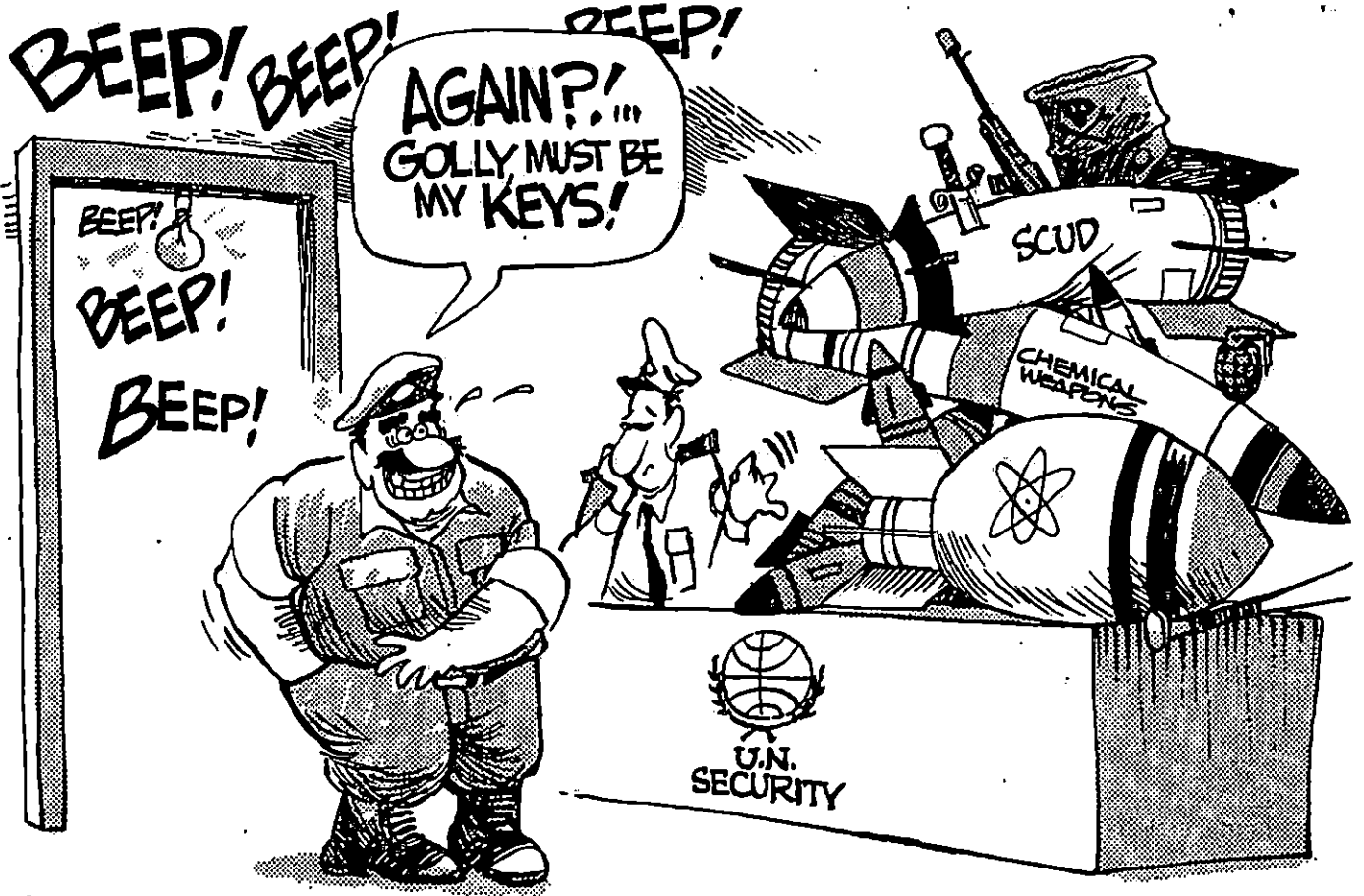
Jim Borgman
The Cincinnati Enquirer
King Features Syndicate



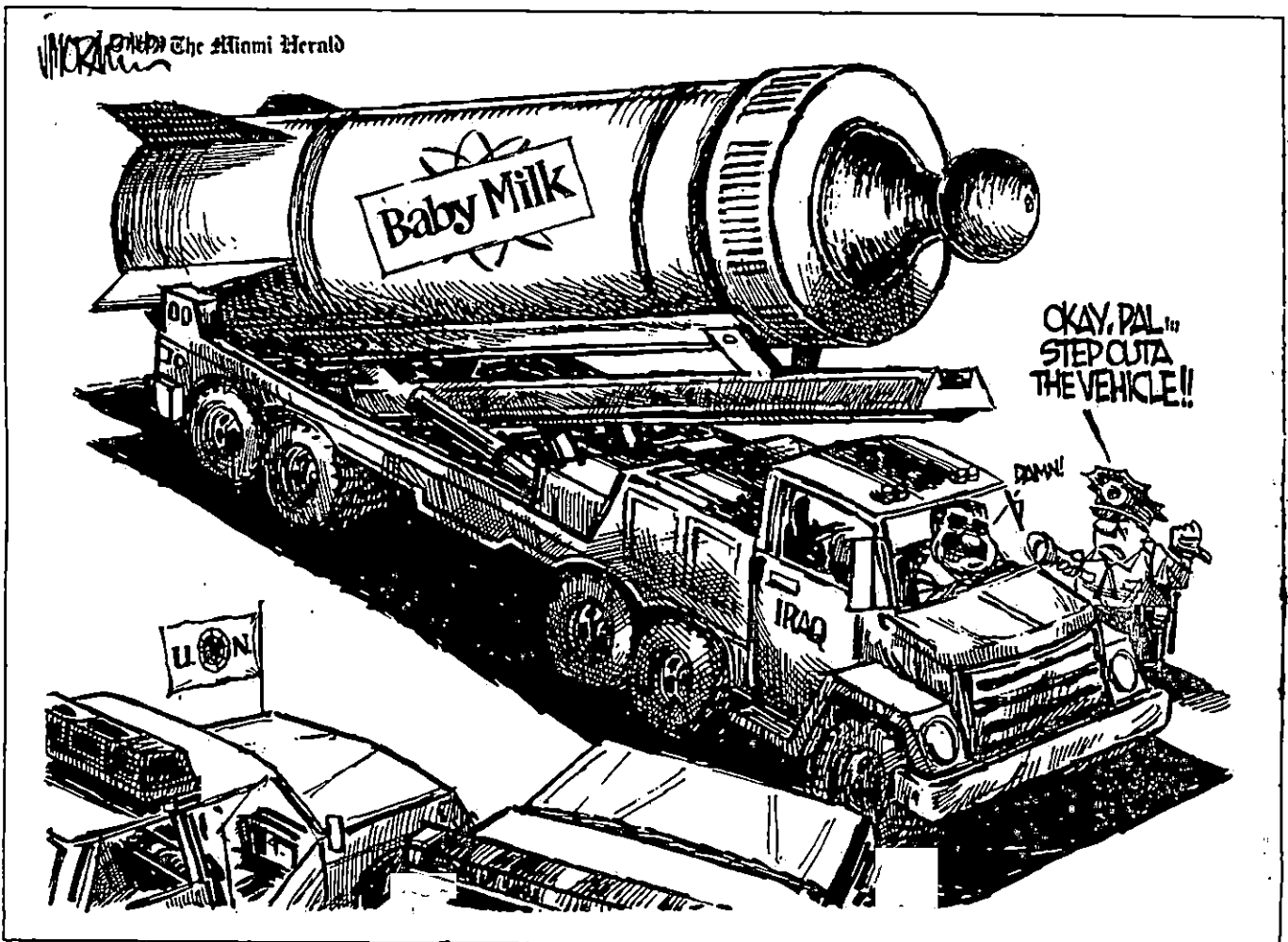


Summers
Orlando Sentinel





SUMMERS
BY THE ORLANDO SENTINEL

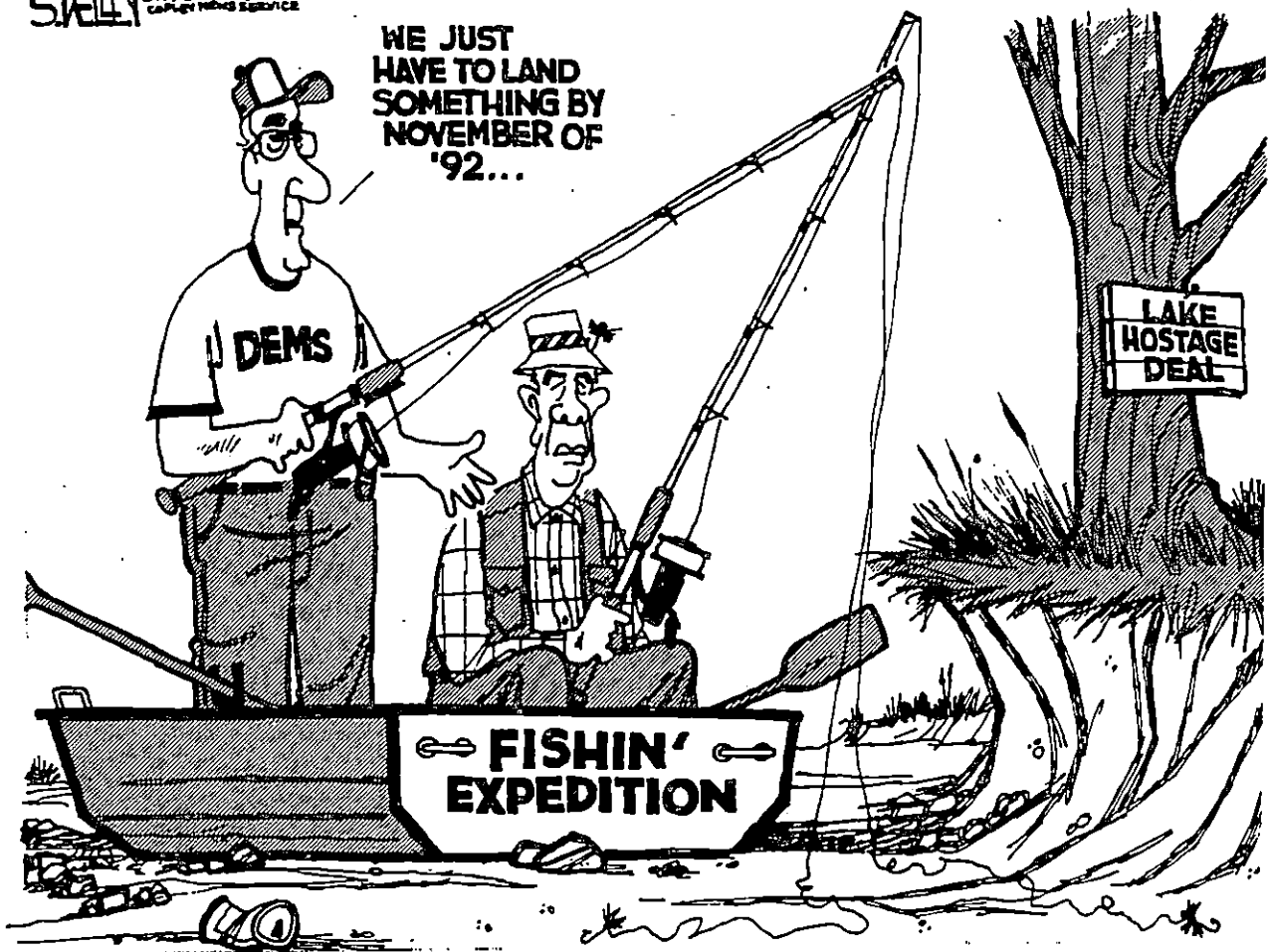




THE CAT WHO KEPT COMING BACK.



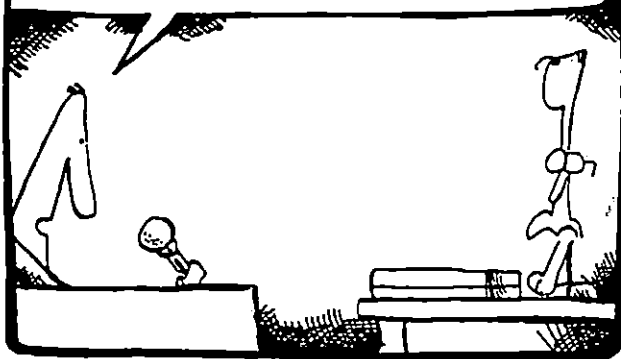
WE JUST
HAVE TO LAND
SOMETHING BY
NOVEMBER OF
'92...



THE RICHMOND NEWS LEADER
COPLEY NEWS SERVICE
GORRELL

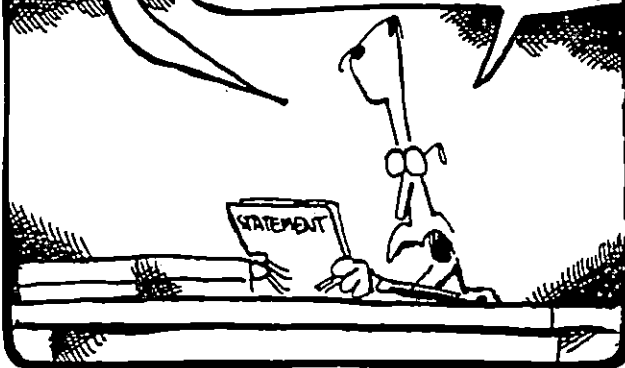


MR. BUSH, WERE YOU, DURING THE ELECTION, INVOLVED IN EFFORTS, FOR POLITICAL REASONS, TO DELAY...



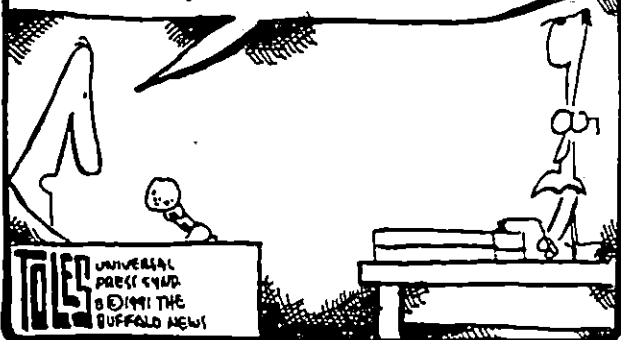
NO!

"I NEVER WENT TO PARIS AND I NEVER DELAYED THE HOSTAGE RELEASE..."



AHEM.

...TO DELAY THE CLOSING OF THE SILVERADO S&L TO AVOID EMBARRASSMENT OVER YOUNG NEIL BUSH?



OOPS.
WRONG INVESTIGATION.



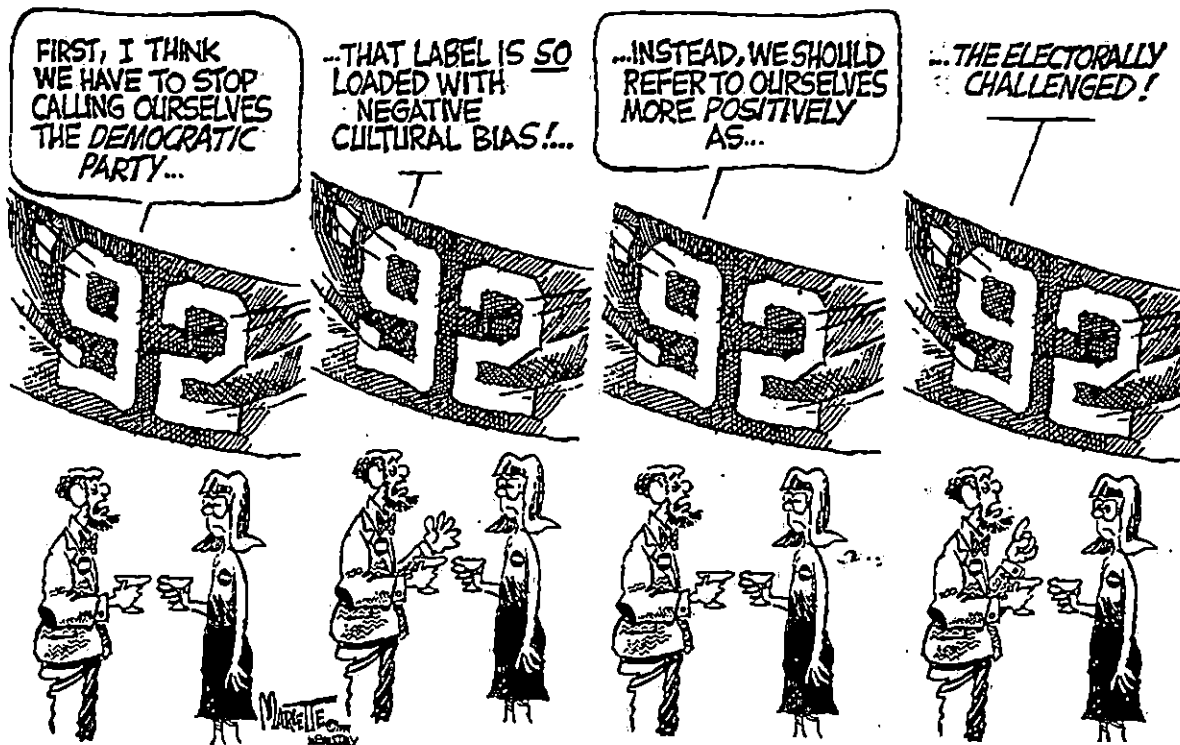
THE
FROM 10/10/91

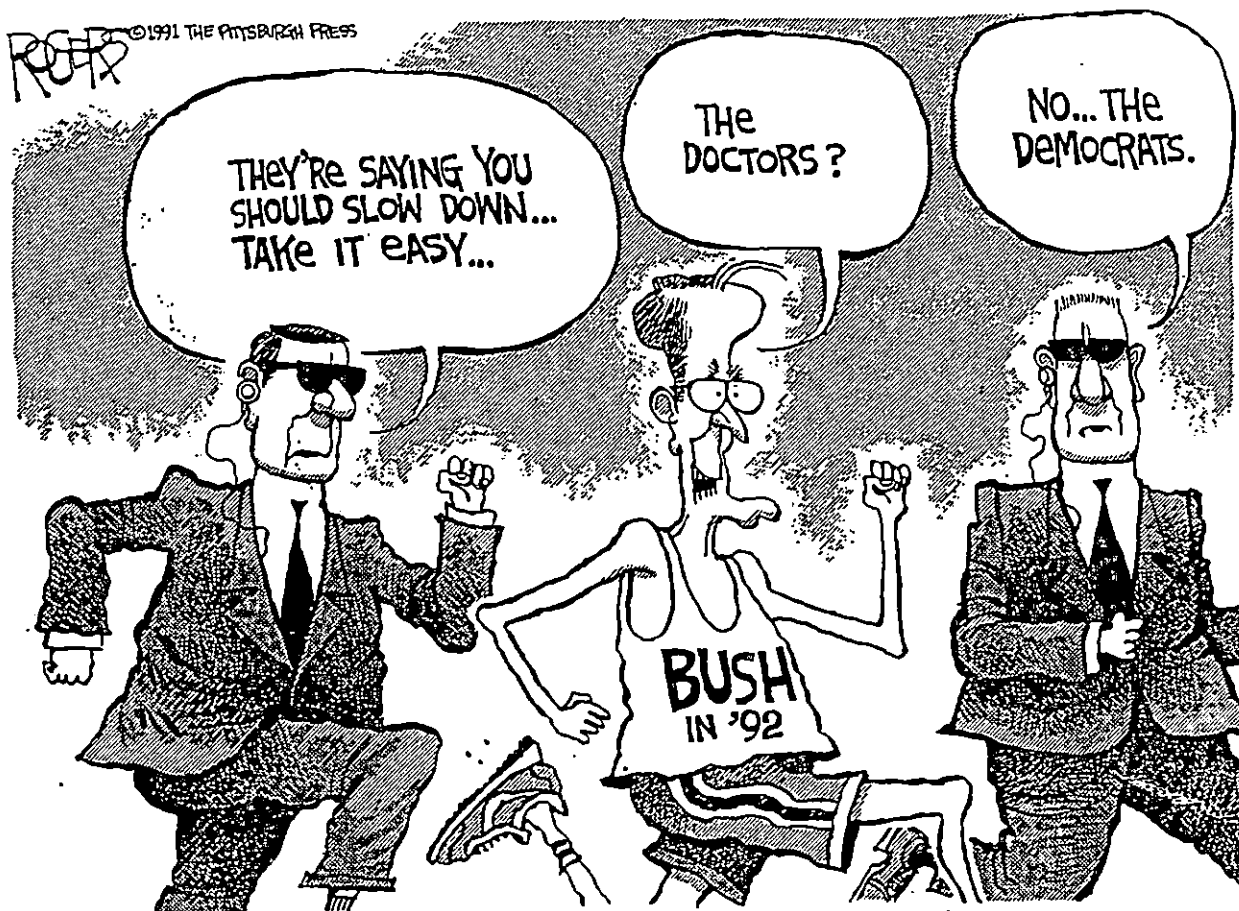
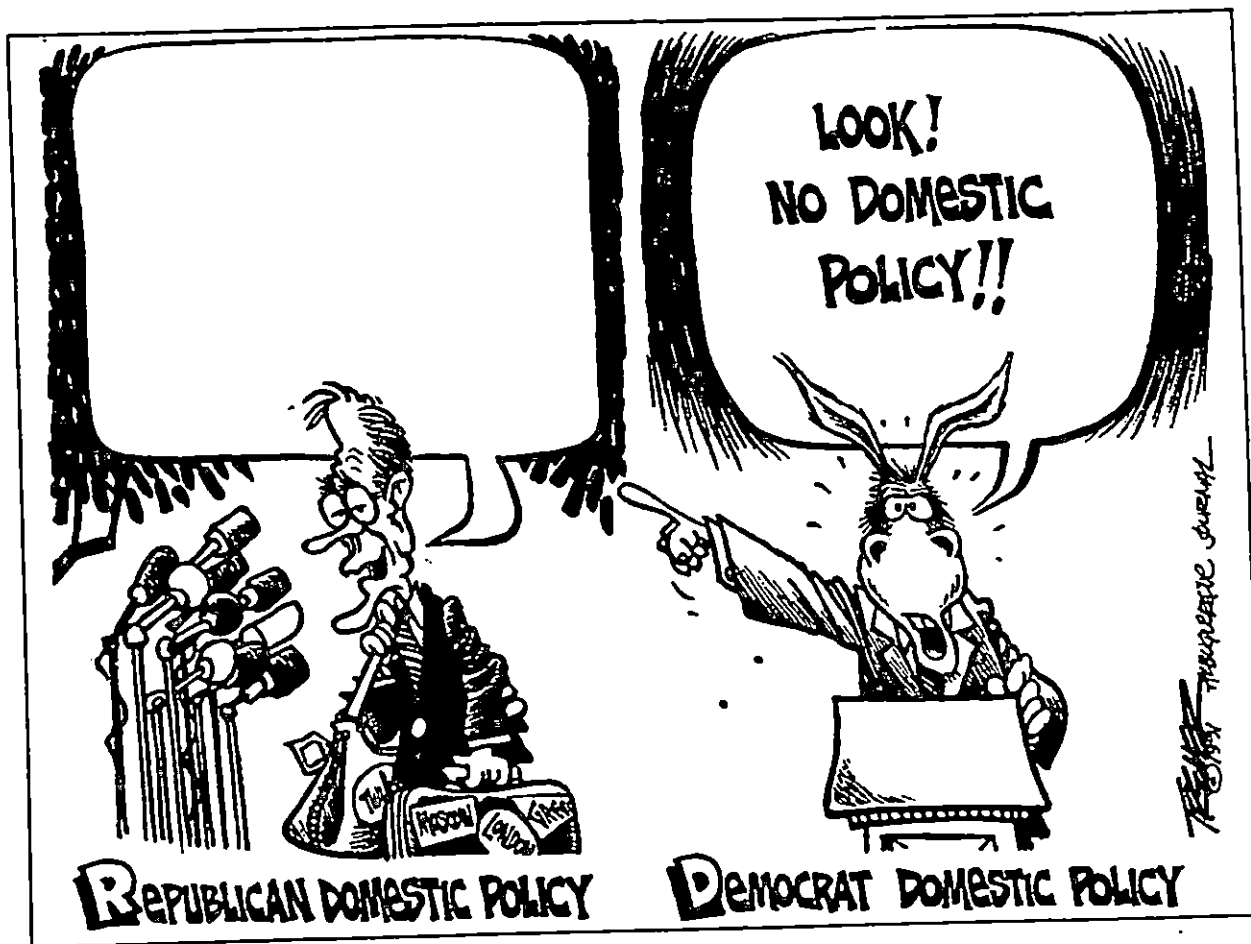
TONIGHT ON "UNSOLVED MYSTERIES" ... THE OCTOBER SURPRISE! WERE THE EX-PRESIDENT'S MEN INVOLVED IN A DEAL WITH IRAN TO DELAY THE HOSTAGES RELEASE? AND IF SO ... WHAT DID THE EX-PRESIDENT KNOW? ...





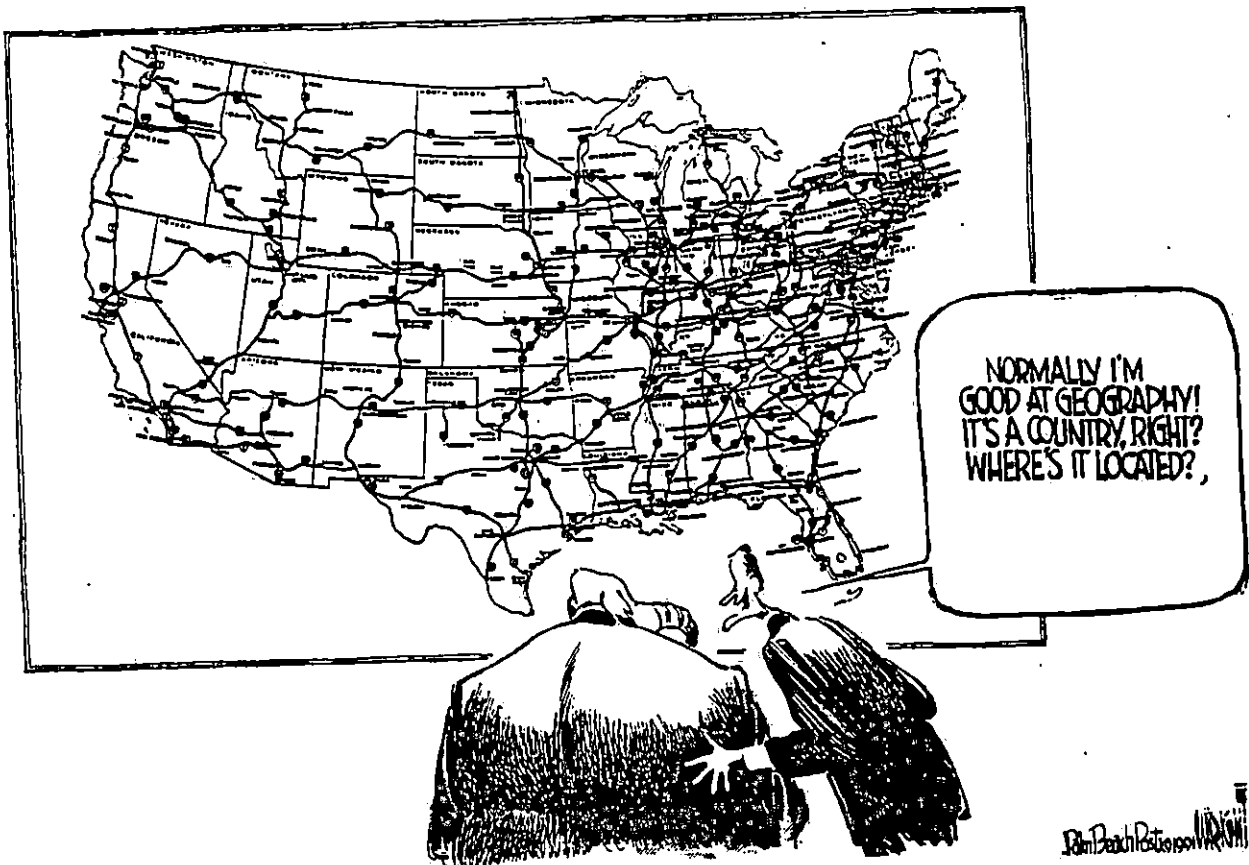


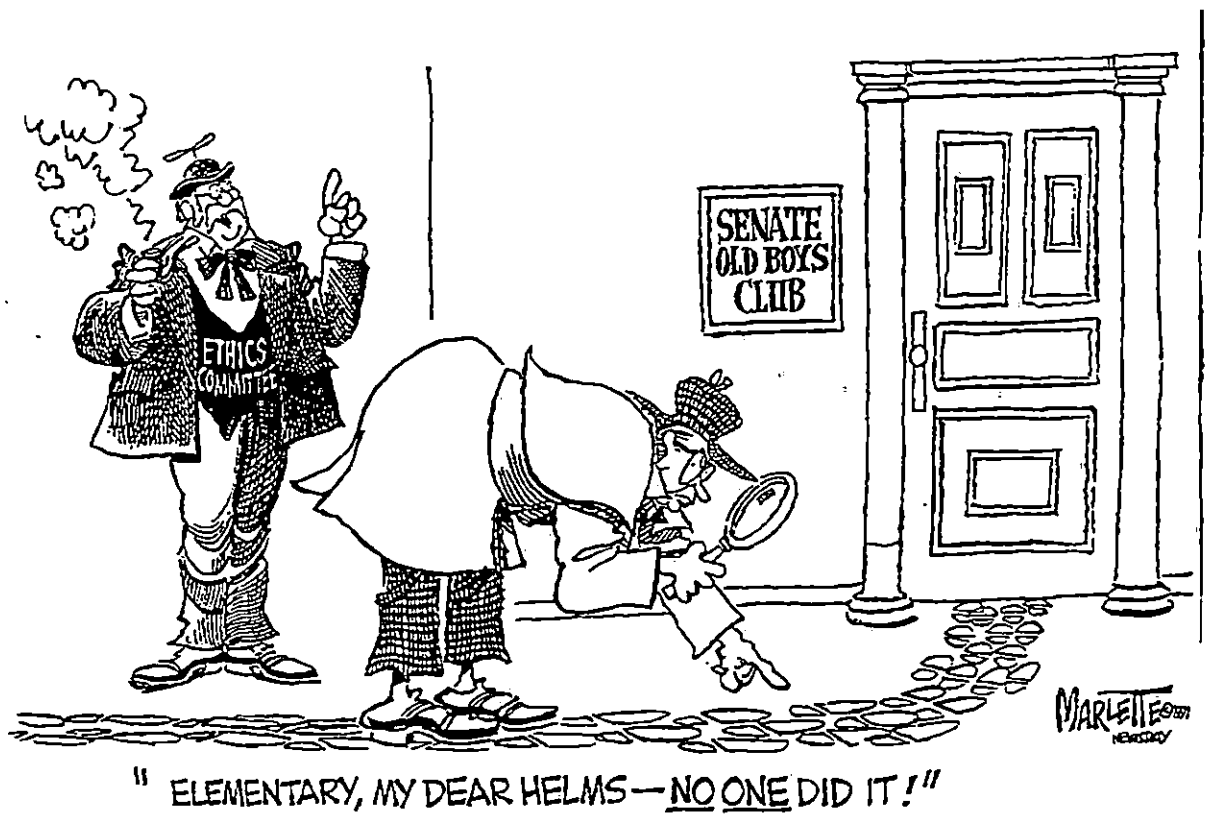


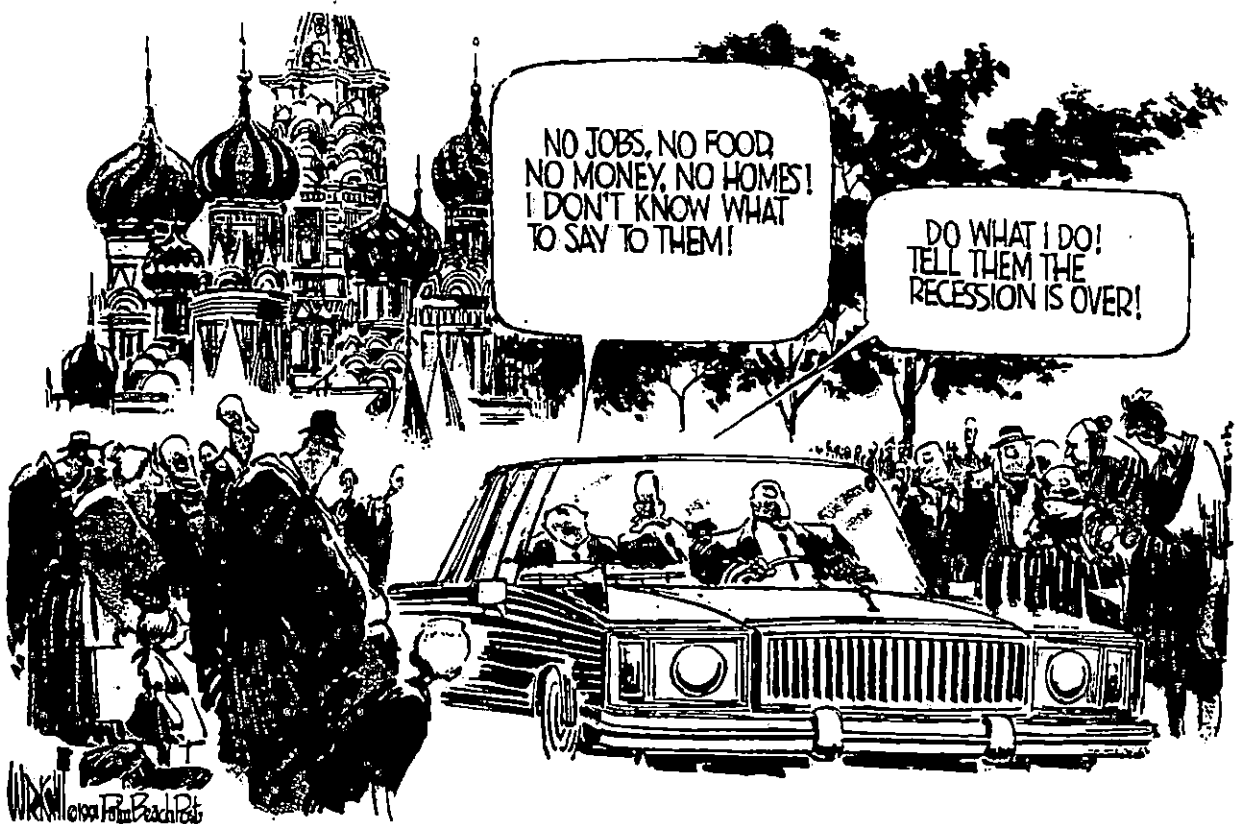
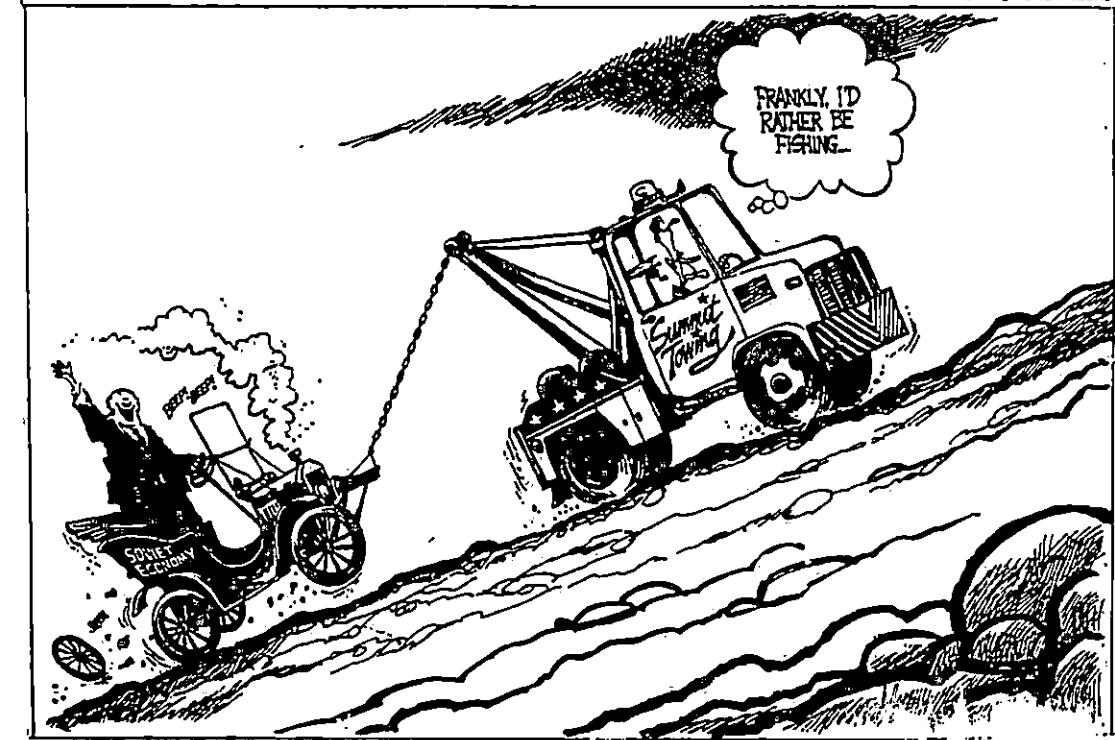


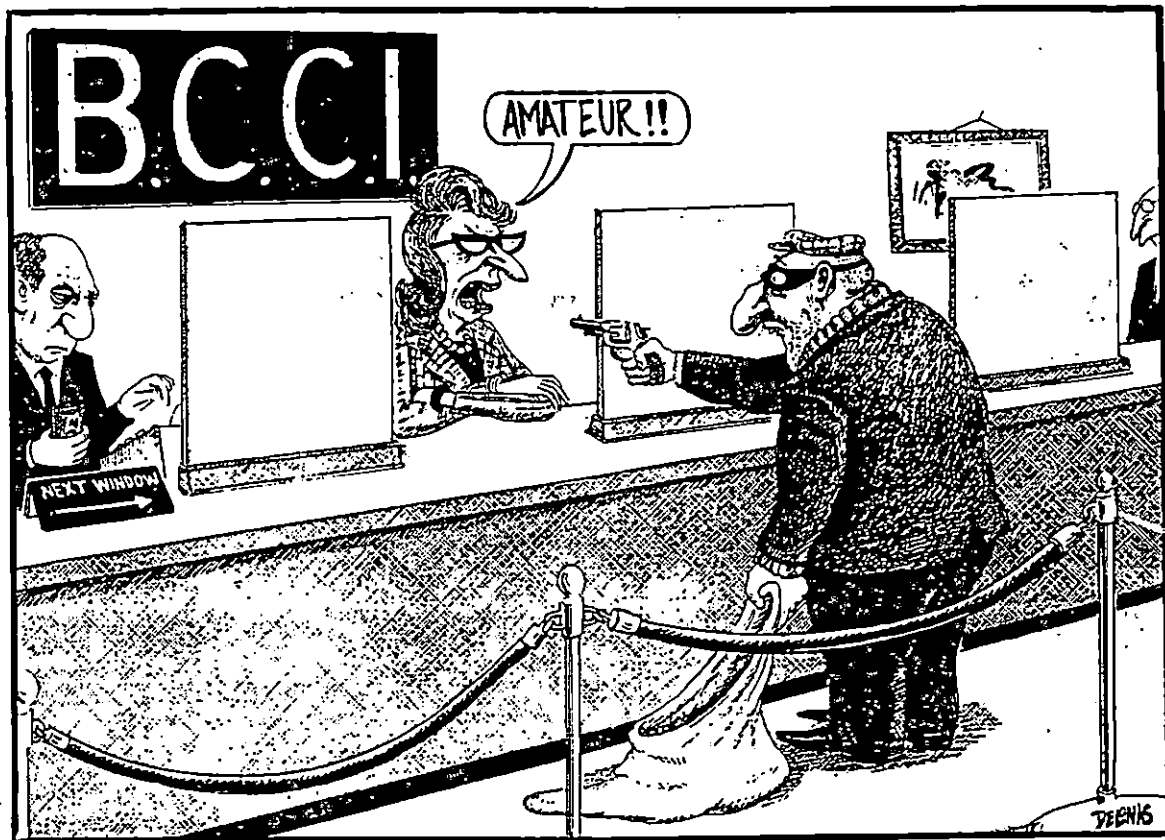


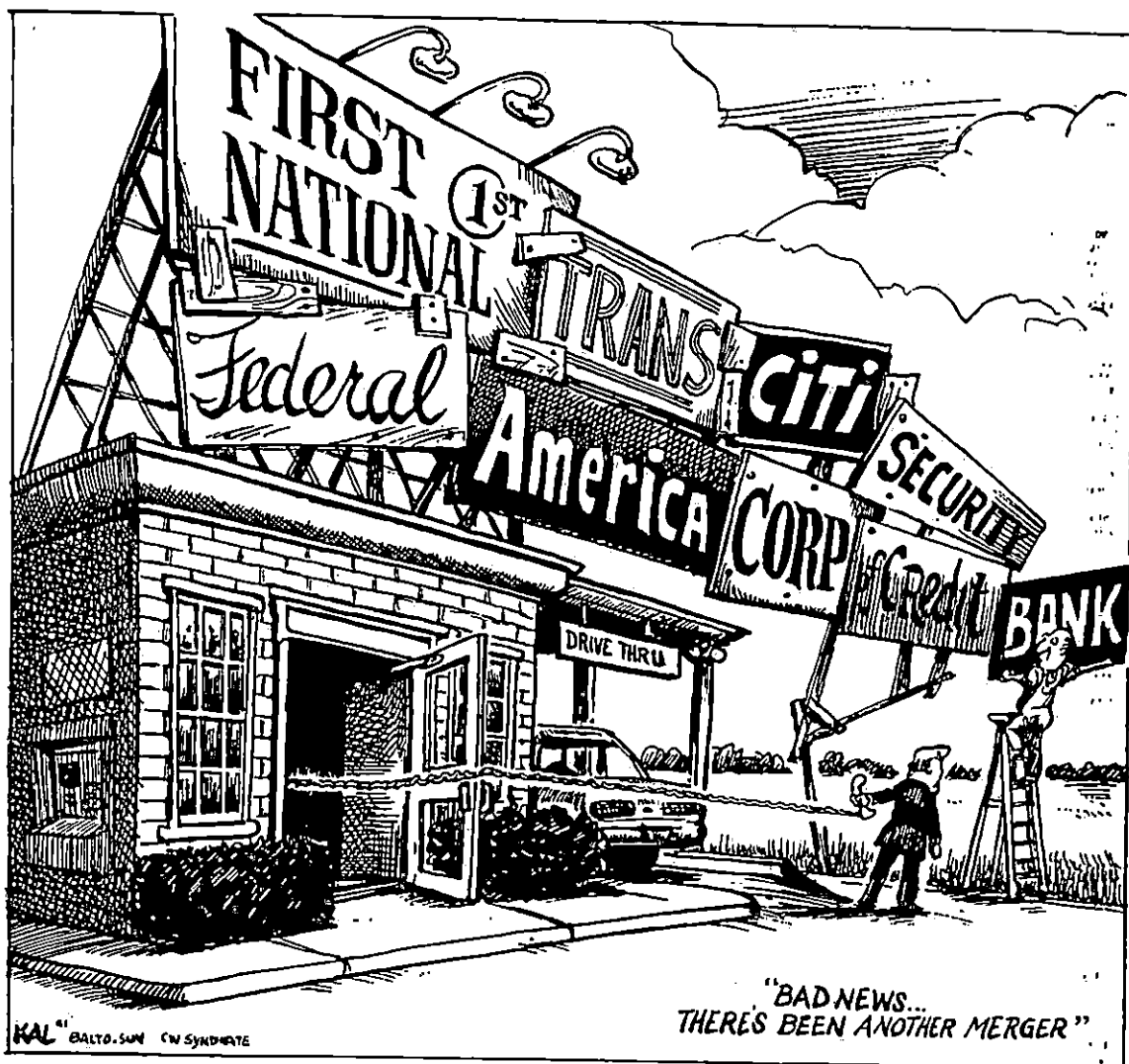
"WOULD Y'ALL WATCH MY STUFF WHILE I STEP
ACROSS THE STREET FOR A DOMESTIC PROGRAM?"





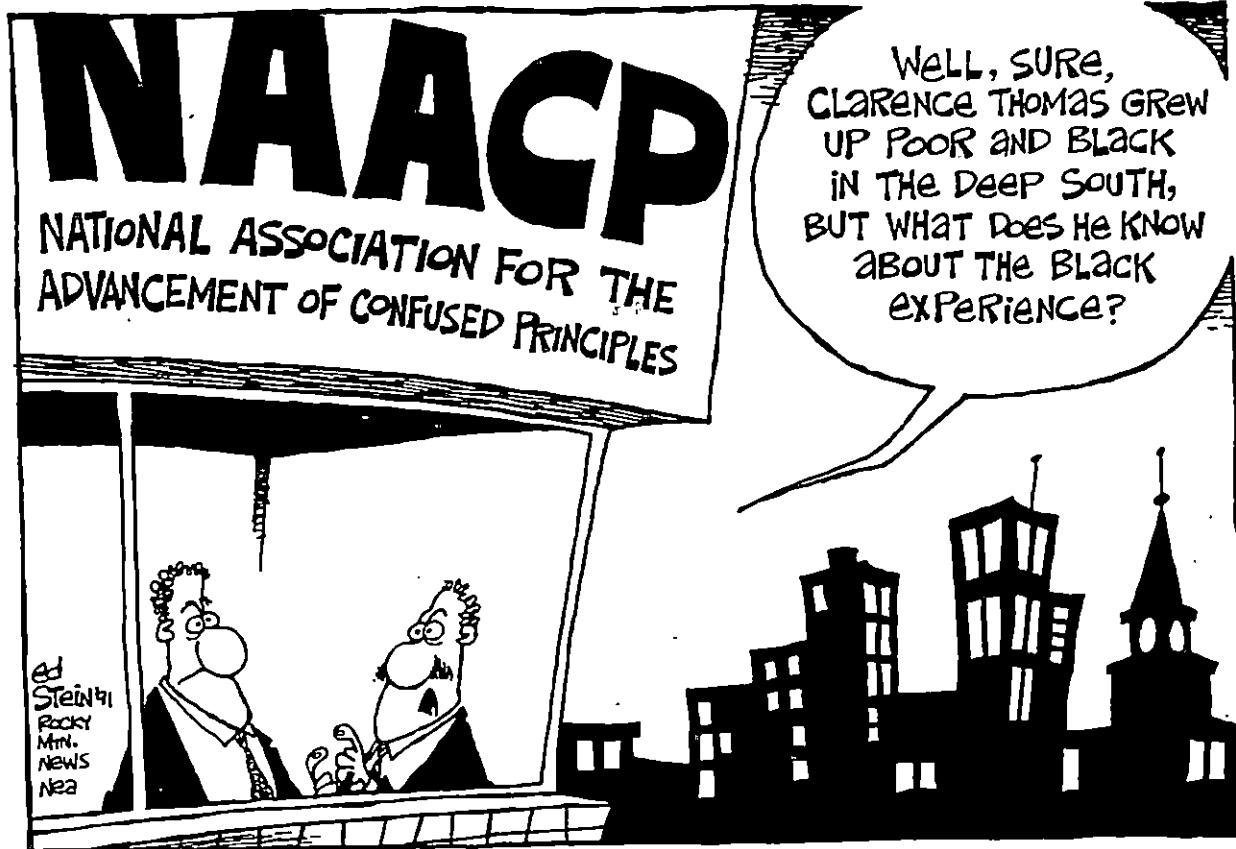






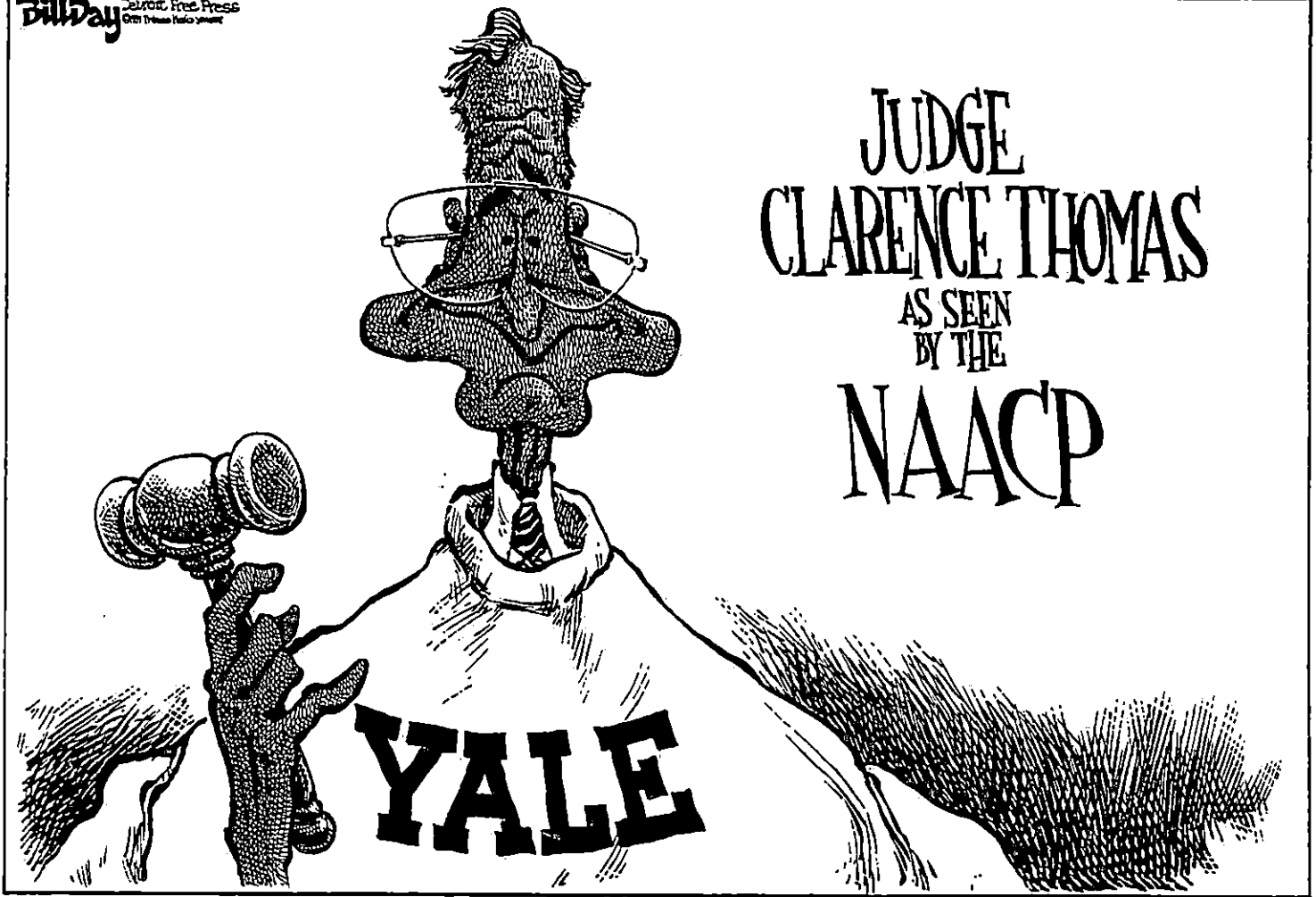
MORAN (9/9) The Miami Herald



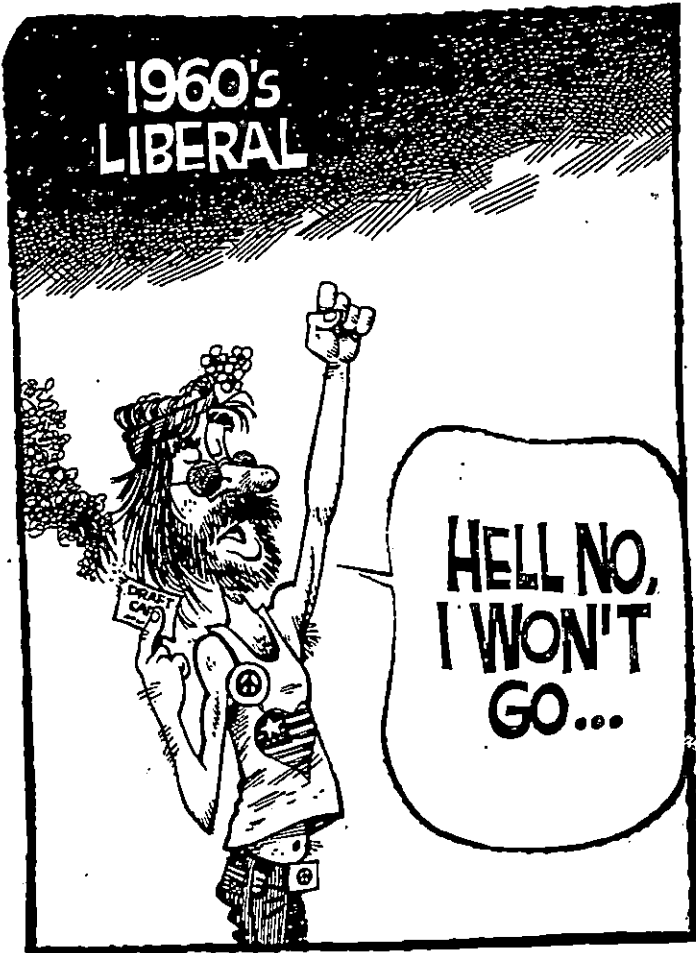


THE POT CALLING THE KETTLE WHITE...

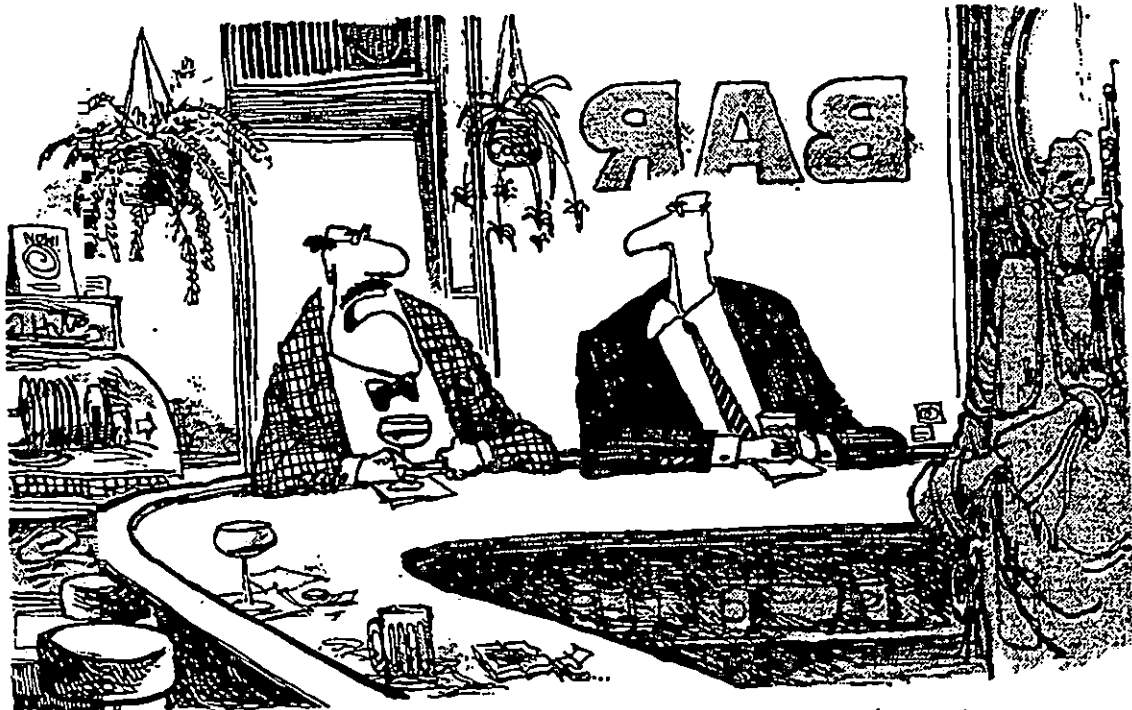
JUDGE CLARENCE THOMAS AS SEEN BY THE NAACP



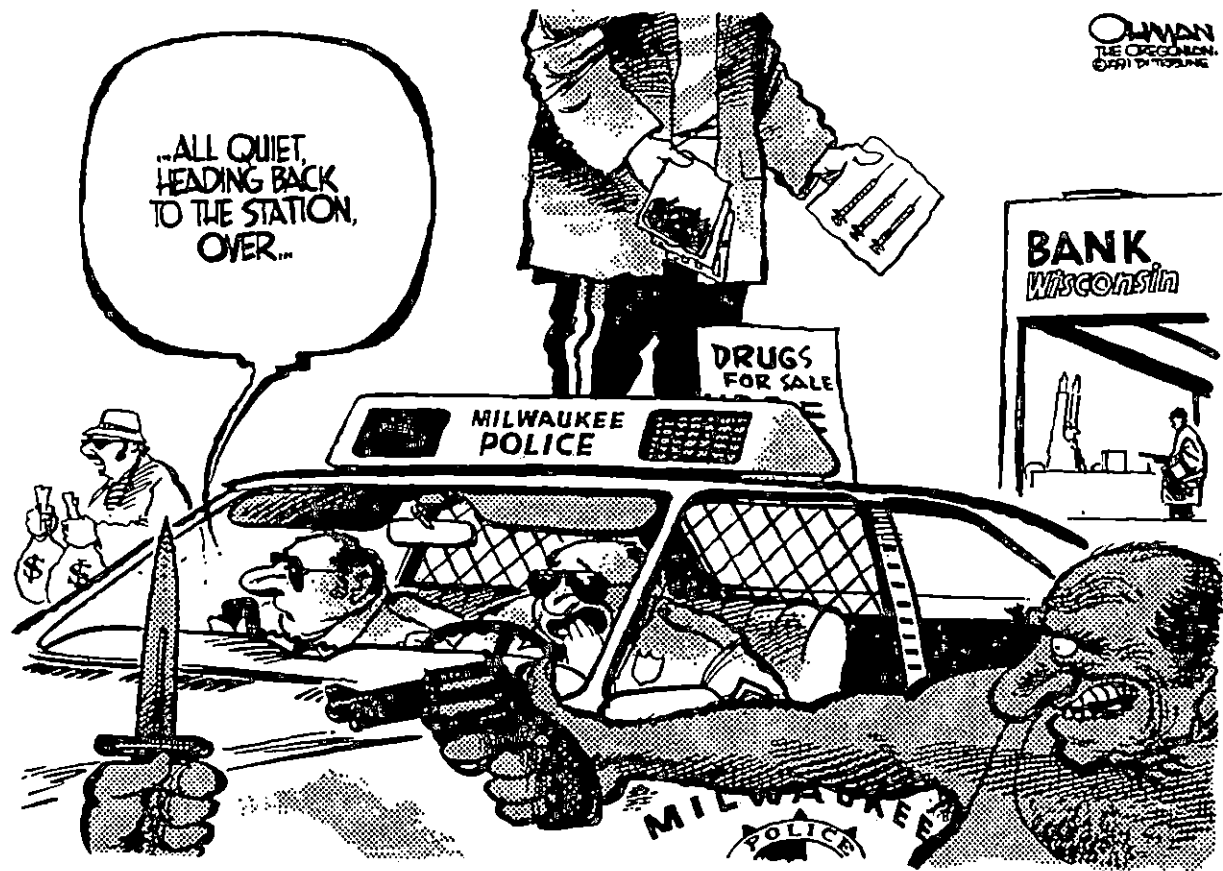
1960's LIBERAL



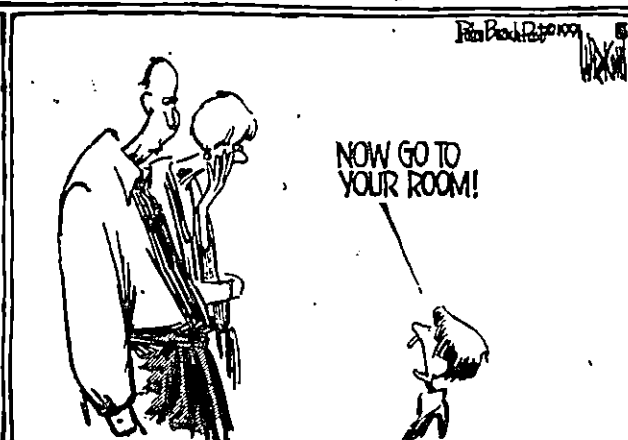
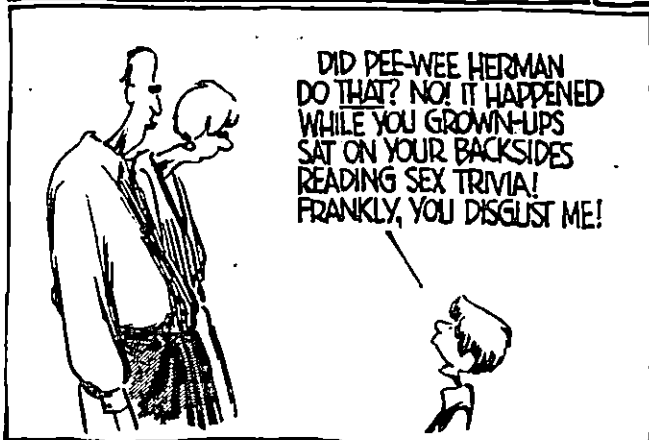
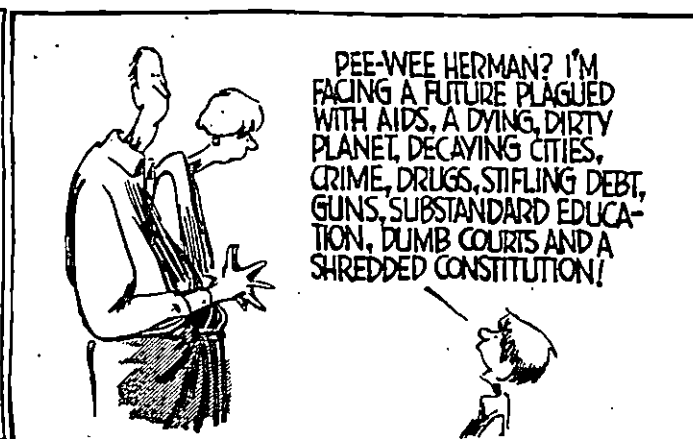
1990's LIBERAL



OK, LOOK.... I WON'T HOLD YOU RESPONSIBLE FOR JESSE HELMS IF YOU DON'T HOLD ME RESPONSIBLE FOR TED KENNEDY...."



"NOPE-HAVEN'T FOUND ANY CLUES YET...HOW 'BOUT YOU?..."



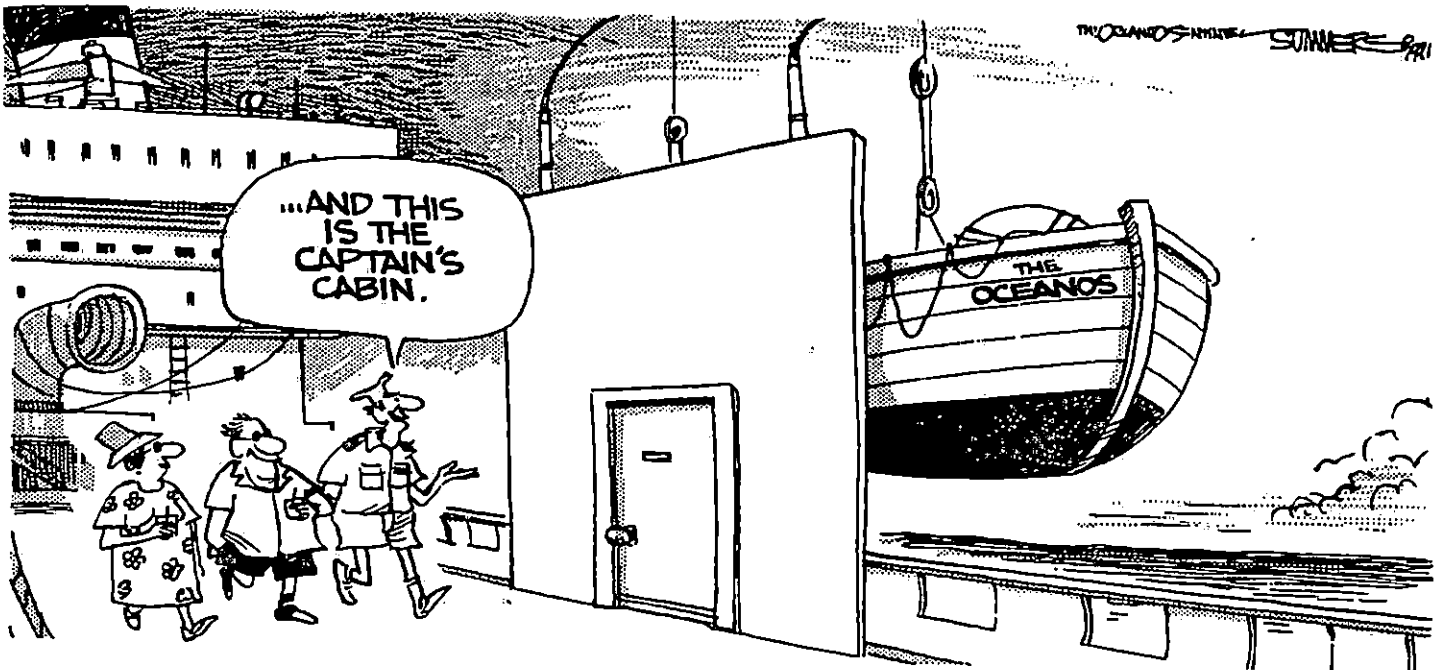
© THE WASHINGTON
CAPER TIMES
(91)

SO WHAT
BRINGS YOU BIG
CITY BOYS ALL THE
WAY OUT HERE
LOOKIN' FOR YMI?...
FIXED UP ALL THE
REAL PROBLEMS,
HAVE YA?



THE OCEANOS NEWS SUMMER 1991

...AND THIS
IS THE
CAPTAIN'S
CABIN.





JIM BREGMAN
CONQUEROR
ENCOUNTER STAY

PAUL BROWN 1909-1991

~~CLASSIFIED~~

8/16/91

UNCLASSIFIED UPON
REMOVAL OF CLASSIFIED
ATTACHMENTS

DW 3/18/13

Bush Library Photocopy
Preservation

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

August 15, 1991

PRE-BRIEFING MEMORANDUM FOR INTERVIEW WITH MAINE REPORTERS

DATE: Friday, August 16, 1991
TIME: 8:45 a.m. to 9:00 a.m.
LOCATION: The President's Office
THROUGH: DORRANCE SMITH, ^{DS} Assistant to the
President for Media Affairs
FROM: DEB AMEND, ^{DIA} Special Assistant to the
President for Communications

I. PURPOSE:

To review background information and possible questions for your interview with Maine reporters.

II. BACKGROUND:

This interview is designed to provide you with an opportunity to talk with members of the Maine press corps, who routinely cover your trips to Kennebunkport.

III. PARTICIPANTS:

The President
Dorrance Smith
Bob Gates
Deb Amend
Gary Foster

IV. PRESS PLAN:

Closed

V. TALKING POINTS:

Possible questions are attached

POSSIBLE QUESTIONS FOR MAINE NEWS CONFERENCE

Local Issues

1) What advice do you have for New England states, like Maine, which have been witnessing economic problems and even state government shut-downs?

BACKGROUND: Overall, Maine has been experiencing severe economic problems, but in recent months the state economy has been taking a small turn for the better. Unemployment is down (from 8.3% in May to 7.6% in June) due to increased summer employment. However, Maine's unemployment rate is still higher than the national average of 6.8%.

TALKING POINTS:

- o The CEA has reported modest growth of 0.4 percent in the second quarter of 1991, further proof that the recession has bottomed out and that recovery has begun.
- o Chairman Boskin and others have also forecasted that the economy will follow a path of modest growth in the second half of this year in the 2 1/2 - 3 percent range, and then a little over 3 percent next year.
- o New England is lagging behind the national figures somewhat, as often some industries or regions will. But if the economy continues to grow and gain momentum, as we have forecasted, it cannot help but take regional areas such as the Northeast with it.
- o I share Secretary Mosbacher's enthusiasm about the modest increase in consumer prices (CPI rose 0.2%). Lower inflation (presently 2.7 percent) will enhance consumer purchasing power.

2) What is your position on the jobless bill Senator Mitchell has urged you to sign?

BACKGROUND: Senator George Mitchell has urged you to sign a \$5.8 billion "emergency" jobless benefits bill which would add up to 20 additional weeks of unemployment wages for people who have exhausted the standard 26 weeks of coverage. You do not support this legislation and senior advisors would not recommend that you designate the spending as "emergency" spending.

THE WHITE HOUSE
WASHINGTON

August 15, 1991

THE PRESIDENT HAS SEEN

BRIEFING MEMORANDUM FOR INTERVIEW WITH MAINE REPORTERS

DATE: Friday, August 16, 1991
TIME: 9:00 a.m. to 9:30 a.m.
LOCATION: Walker's Point press area
THROUGH: DORRANCE SMITH, Assistant to the President for Media Affairs
FROM: DEB AMEND, Special Assistant to the President for Communications

I. PURPOSE:

This press availability will provide you with an opportunity to visit with the various Maine reporters who have covered your trips to Kennebunkport. The group makes up the major media organizations in the state, including the TV stations from Portland and all the daily newspapers. This group will be joined by the White House press corps travel pool.

II. BACKGROUND:

This interview will be similar to the one you gave to Maine journalists in 1989.

Domestic issues of concern to Maine reporters include Maine's economy, the closing of military bases, wetlands, and transportation issues. No doubt you will also be asked questions of national interest, such as a status report on the hostages.

A microphone will be set-up for you on a toast lectern outside your office. The reporters will be brought into the compound as a group, and will stand in front of you for a generally informal Q & A session.

III. PARTICIPANTS:

The President
Dorrance Smith
Deb Amend
Gary Foster
Attached list of Maine Reporters

IV. PRESS PLAN:

Maine Media and White House press corps travel pool

V. TALKING POINTS:

Possible questions will be reviewed during the pre-brief.

VI. SEQUENCE OF EVENTS:

- Welcome the reporters
- Take questions

POSSIBLE QUESTIONS FOR MAINE NEWS CONFERENCE

Local Issues

1) What advice do you have for New England states, like Maine, which have been witnessing economic problems and even state government shut-downs?

BACKGROUND: Overall, Maine has been experiencing severe economic problems, but in recent months the state economy has been taking a small turn for the better. Unemployment is down (from 8.3% in May to 7.6% in June) due to increased summer employment. However, Maine's unemployment rate is still higher than the national average of 6.8%.

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- o The CEA has reported modest growth of 0.4 percent in the second quarter of 1991, further proof that the recession has bottomed out and that recovery has begun.
- o Chairman Boskin and others have also forecasted that the economy will follow a path of modest growth in the second half of this year in the 2 1/2 - 3 percent range, and then a little over 3 percent next year.
- o New England is lagging behind the national figures somewhat, as often some industries or regions will. But if the economy continues to grow and gain momentum, as we have forecasted, it cannot help but take regional areas such as the Northeast with it.
- o I share Secretary Mosbacher's enthusiasm about the modest increase in consumer prices (CPI rose 0.2%). Lower inflation (presently 2.7 percent) will enhance consumer purchasing power.

2) What is your position on the jobless bill Senator Mitchell has urged you to sign?

BACKGROUND: Senator George Mitchell has urged you to sign a \$5.8 billion "emergency" jobless benefits bill which would add up to 20 additional weeks of unemployment wages for people who have exhausted the standard 26 weeks of coverage. You do not support this legislation and senior advisors would not recommend that you designate the spending as "emergency" spending.

TALKING POINTS:

- o We believe the recession is ending and the recovery is underway.
- o It is not appropriate to declare an "emergency" under the budget agreement, and counterproductive to abandon pay-as-you-go discipline as the Nation comes out of recession.
- o I'd prefer Senator Dole's substitute, which would provide limited extension of benefits at a much reduced cost and in full compliance with our budget agreement's pay-as-you-go rules.

3) On July 10th, you approved the closing of a number of military bases around the nation, including the Loring Base in Limestone. What motivated your decision?

BACKGROUND: The 1994 shut-down of Loring Air Force Base in Limestone is an extremely controversial issue in the state. Local politicians predict disastrous economic consequences for northern Maine, including the loss of approximately 4,000 jobs. The "Save Loring Committee" is filing a suit in federal court in an attempt to keep the base open. Maine politicians and the Northern Maine Regional Planning Commission are seeking new ways to reuse the base.

TALKING POINTS:

- o In determining which bases to close, the bottom line had to be deciding what is best for the overall defense of the country.
- o The base closing commission's recommendations were made without regard to politics. By a vote of 364-60, the House endorsed the Commission report.
- o I believe there is a need for a balanced and structured military with less money being spent on it.

4) There will be an AIDS demonstration in Kennebunkport on September 1st. Many feel that the administration has not been doing enough in confronting this issue.

BACKGROUND: An AIDS demonstration is being planned in Kennebunkport on September 1st by a militant gay group called ACT-UP. 3000 people are expected to participate.

Page Three

TALKING POINTS:

- o I met with Secretary Sullivan in June to review our battle against AIDs. As I have said before, we must wage an all out war against AIDs, not against people with AIDs.
- o Our commitment is reflected in our budget -- government wide spending related to AIDs in FY'92 will be over \$4 billion.
- o More federal research and prevention funding is now devoted to AIDs than to any other disease, except cancer.

5) What do you think about the wetlands issue, considering that almost a third of Maine has been defined as "wetlands" under the 1989 definition?

BACKGROUND: The wetlands issue is very important in Maine because under the 1989 definition, 30% of the state qualified as wetlands.

TALKING POINTS:

- o On August 9th, I announced a comprehensive plan for improving the preservation of America's wetlands. The plan recognizes the need to protect valuable wetlands which serve an important role in flood control; help filter wastes from water; provide habitat for fish, birds and animals and serves as a valuable recreational resource.
- o The three part plan aims to strengthen acquisition programs and other programs to protect wetlands, revise the interagency manual which defines wetlands (the first 1989 manual had a very broad definition), and improve and streamline the current regulatory system.
- o I believe there is a sensitive balance between two important objectives -- the protection, restoration, and creation of wetlands and the need for sustained economic growth and development.
- o I understand Maine helped to pioneer last year a system of wetlands categories. Your approach to providing the greatest protection for the greatest value wetlands is one that makes sense to me.

Page Four

6) Olympia Snowe is up for reelection in 1992. Do you have any advice for her?

BACKGROUND: Congresswoman Snowe was reelected in 1990 with a narrow 50.1% of the vote in a race against Patrick McGowan. Last year's election results shocked Snowe. In past elections, she has garnered as much as 73% of the vote. It is expected that McGowan will run against her again, although he has made no formal announcement.

7) What are your thoughts on a possible presidential bid by Maine's Senator George Mitchell?

8) What about your own re-election plans -- are you ready to announce?

9) Hunting is a very popular sport in Maine. What do you think about stricter gun control laws?

National Issues

1) Any comments about the hostage situation?

2) How do you feel about the recent abortion controversy in Kansas and the abortion issue in general?

3) What progress has been made on your domestic agenda?

LOCAL ISSUES IN THE NEWS

Beach Closings:

BACKGROUND: East End Beach in South Portland was closed for six weeks this summer and 30 other advisories were issued due to bacteria from sewage, according to a report released by the Natural Resources Defense Council on Wednesday. The problem stems from sewage overflow from obsolete sewage treatment systems, and increasing levels of polluted storm water drainage. The report shows that sewage forces closings of hundreds of beaches annually. There were 1,429 closings in 10 states in 1990. Maine, Delaware and Connecticut are the only states which use testing methods preferred by the EPA. Maine uses the strictest limits on bacteria.

TALKING POINTS:

- o William Reilly has called sewage runoff pollution the last major source of contamination left uncontrolled in the U.S.
- o I am relieved to hear that Maine uses the strictest limits on water testing to protect beachgoers.
- o Sewage runoff is a serious threat to our natural resources and we must find better ways to deal with this type of pollution.

Turnpike:

BACKGROUND: The widening of the Turnpike in southern Maine has created quite a stir among Maine residents. 70,000 Maine citizens petitioned for a bill that would prevent the widening of the Maine Turnpike between York and Scarborough (southern Maine). However, many petitioners did not realize that the legislation also includes a "Transportation Policy Act" which could ruin the state economically. Maine DOT Commissioner Dana Connors opposes the act vehemently because it would bring about the delay or termination of hundreds of planned state and highway projects, the loss of thousands of jobs, and increased taxes. The legislation will be placed on the November ballot.

TALKING POINTS:

- o The turnpike is owned by the state and no federal funds are involved.
- o This is a state issue and I do not believe it would be appropriate for me to comment on it.

Maine State Budget

BACKGROUND: Maine's budget debate this past July centered around the issue of workman's compensation. Because of a prolonged battle over the budget, the government actually shut down for nearly two weeks in July. Maine's workers' compensation costs rank among the three highest in the nation. Governor McKernon and other Republicans feel that high insurance rates have contributed to Maine's high unemployment by driving businesses away. In the end, workers' compensation rates will drop by 9% this year. Without the reform, rates would have increased by 14%.

THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

August 15, 1991

BRIEFING MEMORANDUM FOR INTERVIEW WITH MAINE REPORTERS

DATE: Friday, August 16, 1991
TIME: 9:00 a.m. to 9:30 a.m.
LOCATION: Walker's Point press area
THROUGH: DORRANCE SMITH, ^{DS} Assistant to the
President for Media Affairs
FROM: DEB AMEND, ^{DA} Special Assistant to the
President for Communications

I. PURPOSE:

This press availability will provide you with an opportunity to visit with the various Maine reporters who have covered your trips to Kennebunkport. The group makes up the major media organizations in the state, including the TV stations from Portland and all the daily newspapers. This group will be joined by the White House press corps travel pool.

II. BACKGROUND:

This interview will be similar to the one you gave to Maine journalists in 1989.

Domestic issues of concern to Maine reporters include Maine's economy, the closing of military bases, wetlands, and transportation issues. No doubt you will also be asked questions of national interest, such as a status report on the hostages.

A microphone will be set-up for you on a toast lectern outside your office. The reporters will be brought into the compound as a group, and will stand in front of you for a generally informal Q & A session.

III. PARTICIPANTS:

The President
Dorrance Smith
Deb Amend
Gary Foster
Attached list of Maine Reporters

IV. PRESS PLAN:

Maine Media and White House press corps travel pool

V. TALKING POINTS:

Possible questions will be reviewed during the pre-brief.

VI. SEQUENCE OF EVENTS:

- Welcome the reporters
- Take questions

PARTICIPANTS LIST FOR MAINE NEWS CONFERENCE

Television

WGME-TV, CBS - Portland, Michael Sacksteder (reporter)
James O'Rourke (camera)

WSCH-TV, NBC - Portland, Pat Callaghan (anchor)
Gary Sturtevant (camera)

WMTW-TV, ABC - Auburn, John Woodhead (camera)

WAIB-TV, CBS - Bangor, Denise Keniston (reporter)
Dave Clark (camera)

Radio

WLAM-AM, Lewiston -- Albert Balazs, Jr.

Maine Radio Network -- Malcolm (Mal) Leary

WIDE-AM/WSTG-FM, Biddeford -- Frederic Miller

Maine Public Radio/NPR -- Allan Dowd

WGAN-AM, Portland -- William Muldoon

WPOR, Portland -- Ralph Lowe

Newspapers

York County Coast Star -- Susan Andrea Gilman
Patrick McNamara (photographer)

Biddeford Journal Tribune -- Emily Caldwell
Carl Walsh (photographer)

Portland Press Herald -- Stephen Campbell
David Rogers (photographer)

The Brunswick Times Record -- John Madden

Central Maine Morning Sentinel -- Darla Pickett

Lewiston Sun Journal -- Glen Chase

Associated Press (Augusta) -- Francis Quinn
Pat Wellenbach (photographer)

Bangor News -- John Ripley

Fosters Daily Democrat -- David McPherson

PRESIDENTIAL MOVEMENTS

LOCATION Kennebunkport, Maine

DATE 16 August 1991

[illegible]

**Walker's Point
Kennebunkport, Maine**

file

August 16, 1991

NOTE FROM THE PRESIDENT

TO: John Sununu

I have looked over the report on staff travel to Paris, London, Greece and Turkey, which I sent back to my office in Washington. Obviously, the advance is the key offender in running up costs.

I suggest you appoint a small group of interested parties to see if we can't cut these costs substantially.

daily file
8/16/91

Document Originally
Attached to
Previous Page

...exhibited only
...wetland quality. We believe the new Manual will
a better job of defining true wetlands.

We are not trying to define away the universe of wetlands in order to address "no net loss." It is my understanding that the universe of wetlands under the revised Manual will be approximately the same universe that existed before publication of the 1989 Manual, which expanded the scope of wetland regulation.

Our new wetlands plan will lead to categorizing wetlands based on their function, value, and relative abundance. I understand Maine helped to pioneer last year a system of wetlands categories. Your approach to providing the greatest protection for the greatest value wetlands is one that makes sense to me.

Wetland

POSSIBLE QUESTIONS FOR MAINE NEWS CONFERENCE

THE PRESIDENT HAS SEEN

Local Issues

1) What advice do you have for New England states, like Maine, which have been witnessing economic problems and even state government shut-downs?

BACKGROUND: Overall, Maine has been experiencing severe economic problems, but in recent months the state economy has been taking a small turn for the better. Unemployment is down (from 8.3% in May to 7.6% in June) due to increased summer employment. However, Maine's unemployment rate is still higher than the national average of 6.8%.

TALKING POINTS:

- o The CEA has reported modest growth of 0.4 percent in the second quarter of 1991, further proof that the recession has bottomed out and that recovery has begun.
- o Chairman Boskin and others have also forecasted that the economy will follow a path of modest growth in the second half of this year in the 2 1/2 - 3 percent range, and then a little over 3 percent next year.
- o New England is lagging behind the national figures somewhat, as often some industries or regions will. But if the economy continues to grow and gain momentum, as we have forecasted, it cannot help but take regional areas such as the Northeast with it.
- o I share Secretary Mosbacher's enthusiasm about the modest increase in consumer prices (CPI rose 0.2%). Lower inflation (presently 2.7 percent) will enhance consumer purchasing power.

Economy

*Household Savings
Inflation 2% only*

*Retail Sales
Industrial
Prod. & 4 mos.
on now*

2) What is your position on the jobless bill Senator Mitchell has urged you to sign?

BACKGROUND: Senator George Mitchell has urged you to sign a \$5.8 billion "emergency" jobless benefits bill which would add up to 20 additional weeks of unemployment wages for people who have exhausted the standard 26 weeks of coverage. You do not support this legislation and senior advisors would not recommend that you designate the spending as "emergency" spending.

T

Bush Presidential Library Photocopy

TALKING POINTS:

- o We believe the recession is ending and the recovery is underway.
- o It is not appropriate to declare an "emergency" under the budget agreement, and counterproductive to abandon pay-as-you-go discipline as the Nation comes out of recession.
- o I'd prefer Senator Dole's substitute, which would provide limited extension of benefits at a much reduced cost and in full compliance with our budget agreement's pay-as-you-go rules.

Benefits

3) On July 10th, you approved the closing of a number of military bases around the nation, including the Loring Base in Limestone. What motivated your decision?

BACKGROUND: The 1994 shut-down of Loring Air Force Base in Limestone is an extremely controversial issue in the state. Local politicians predict disastrous economic consequences for northern Maine, including the loss of approximately 4,000 jobs. The "Save Loring Committee" is filing a suit in federal court in an attempt to keep the base open. Maine politicians and the Northern Maine Regional Planning Commission are seeking new ways to reuse the base.

TALKING POINTS:

- o In determining which bases to close, the bottom line had to be deciding what is best for the overall defense of the country.
- o The base closing commission's recommendations were made without regard to politics. By a vote of 364-60, the House endorsed the Commission report.
- o I believe there is a need for a balanced and structured military with less money being spent on it.

4) There will be an AIDS demonstration in Kennebunkport on September 1st. Many feel that the administration has not been doing enough in confronting this issue.

BACKGROUND: An AIDS demonstration is being planned in Kennebunkport on September 1st by a militant gay group called ACT-UP. 3000 people are expected to participate.

TALKING POINTS:

- o I met with Secretary Sullivan in June to review our battle against AIDS. As I have said before, we must wage an all out war against AIDS, not against people with AIDS.
- o Our commitment is reflected in our budget -- government wide spending related to AIDS in FY'92 will be over \$4 billion.
- o More federal research and prevention funding is now devoted to AIDS than to any other disease, except cancer.

5) What do you think about the wetlands issue, considering that almost a third of Maine has been defined as "wetlands" under the 1989 definition?

BACKGROUND: The wetlands issue is very important in Maine because under the 1989 definition, 30% of the state qualified as wetlands.

TALKING POINTS:

- o On August 9th, I announced a comprehensive plan for improving the preservation of America's wetlands. The plan recognizes the need to protect valuable wetlands which serve an important role in flood control; help filter wastes from water; provide habitat for fish, birds and animals and serves as a valuable recreational resource.
- o The three part plan aims to strengthen acquisition programs and other programs to protect wetlands, revise the interagency manual which defines wetlands (the first 1989 manual had a very broad definition), and improve and streamline the current regulatory system.
- o I believe there is a sensitive balance between two important objectives -- the protection, restoration, and creation of wetlands and the need for sustained economic growth and development.
- o I understand Maine helped to pioneer last year a system of wetlands categories. Your approach to providing the greatest protection for the greatest value wetlands is one that makes sense to me.

Page Four

6) Olympia Snowe is up for reelection in 1992. Do you have any advice for her?

BACKGROUND: Congresswoman Snowe was reelected in 1990 with a narrow 50.1% of the vote in a race against Patrick McGowan. Last year's election results shocked Snowe. In past elections, she has garnered as much as 73% of the vote. It is expected that McGowan will run against her again, although he has made no formal announcement.

7) What are your thoughts on a possible presidential bid by Maine's Senator George Mitchell?

8) What about your own re-election plans -- are you ready to announce?

9) Hunting is a very popular sport in Maine. What do you think about stricter gun control laws?

National Issues

1) Any comments about the hostage situation?

2) How do you feel about the recent abortion controversy in Kansas and the abortion issue in general?

3) What progress has been made on your domestic agenda?

LOCAL ISSUES IN THE NEWS

Beach Closings:

BACKGROUND: East End Beach in South Portland was closed for six weeks this summer and 30 other advisories were issued due to bacteria from sewage, according to a report released by the Natural Resources Defense Council on Wednesday. The problem stems from sewage overflow from obsolete sewage treatment systems, and increasing levels of polluted storm water drainage. The report shows that sewage forces closings of hundreds of beaches annually. There were 1,429 closings in 10 states in 1990. Maine, Delaware and Connecticut are the only states which use testing methods preferred by the EPA. Maine uses the strictest limits on bacteria.

TALKING POINTS:

- o William Reilly has called sewage runoff pollution the last major source of contamination left uncontrolled in the U.S.
- o I am relieved to hear that Maine uses the strictest limits on water testing to protect beachgoers.
- o Sewage runoff is a serious threat to our natural resources and we must find better ways to deal with this type of pollution.

Turnpike:

BACKGROUND: The widening of the Turnpike in southern Maine has created quite a stir among Maine residents. 70,000 Maine citizens petitioned for a bill that would prevent the widening of the Maine Turnpike between York and Scarborough (southern Maine). However, many petitioners did not realize that the legislation also includes a "Transportation Policy Act" which could ruin the state economically. Maine DOT Commissioner Dana Connors opposes the act vehemently because it would bring about the delay or termination of hundreds of planned state and highway projects, the loss of thousands of jobs, and increased taxes. The legislation will be placed on the November ballot.

TALKING POINTS:

- o The turnpike is owned by the state and no federal funds are involved.
- o This is a state issue and I do not believe it would be appropriate for me to comment on it.

Maine State Budget

BACKGROUND: Maine's budget debate this past July centered around the issue of workman's compensation. Because of a prolonged battle over the budget, the government actually shut down for nearly two weeks in July. Maine's workers' compensation costs rank among the three highest in the nation. Governor McKernon and other Republicans feel that high insurance rates have contributed to Maine's high unemployment by driving businesses away. In the end, workers' compensation rates will drop by 9% this year. Without the reform, rates would have increased by 14%.

THE WHITE HOUSE

WASHINGTON

August 15, 1991

PRE-BRIEFING MEMORANDUM FOR INTERVIEW WITH MAINE REPORTERS

DATE: Friday, August 16, 1991

TIME: 8:45 a.m. to 9:00 a.m.

LOCATION: The President's Office

THROUGH: DORRANCE SMITH, Assistant to the
President for Media Affairs

FROM: DEB AMEND, ^{DPA} Special Assistant to the
President for Communications

I. PURPOSE:

To review background information and possible questions for your interview with Maine reporters.

II. BACKGROUND:

This interview is designed to provide you with an opportunity to talk with members of the Maine press corps, who routinely cover your trips to Kennebunkport.

III. PARTICIPANTS:

The President
Dorrance Smith
Bob Gates
Deb Amend
Gary Foster

IV. PRESS PLAN:

Closed

V. TALKING POINTS:

Possible questions are attached

Wetlands

MAINE NEWS CONFERENCE

What do you think about the wetlands issue, considering that almost a third of Maine has been defined as "wetlands" under the 1989 definition?

- Last week we announced a comprehensive plan for improving the protection of the nation's wetlands. The plan recognizes the need to protect valuable wetlands which serve an important role in flood control; help filter wastes from water; provide habitat for fish, birds and animals and serve as an important recreational resource.
- Our plan is based on three significant steps:
 - First, we will strengthen wetlands acquisition programs and other efforts to protect wetlands.
 - Second, we have revised the interagency manual defining wetlands to ensure that it is workable.
 - And third, we will take steps to improve and streamline the current regulatory system.
- We are proposing revisions to the interagency manual defining wetlands because the 1989 Manual defined wetlands millions of acres of lands that are marginal wetlands. We do

Turnpike

Widening of Maine Turnpike

The widening of the 30 mile stretch of the Maine Turnpike between York and Portland is a controversial local issue. The Turnpike is owned by the State and no Federal funds are involved in the project.

Suggested reply:

- No Federal funds are involved in the proposed project.
- This is a State issue and I do not believe it would be appropriate for me to comment on it.

1. Post WWII
- PEACE
- PROSPERITY
- DEMOCRACY
- MARKET-ORIENTED
- WEALTH
2. Lessons for success
- 3.

Aids

TALKING POINTS FOR WHITE HOUSE:

- o The President met in June with Secretary Sullivan to review our battle against AIDS. The President was briefed on the international AIDS conference in Florence, including the continuing spread of this disease around the world, and the progress that was reported in research. The United States is by far the leading nation in supporting AIDS research, and its contribution at the international conference was crucial.
- o The President re-emphasized to Secretary Sullivan this Administration's commitment to prevention efforts and research that will control this disease and improve treatment for those with AIDS and lead as quickly as possible to preventive vaccine and cure.
- o The President has already emphasized many times his concern about the spread of this disease and his strong opposition to discrimination against those who suffer the disease. In his own words, we must wage all-out war against AIDS, not against people with AIDS.
- o Our commitment is reflected in the President's budget request for AIDS-related programs. Government-wide spending related to AIDS in FY'92 will be over \$4 billion (\$4.274 billion).
- o The Public Health Service alone will spend almost \$2 billion (\$1.95 billion) in FY'92 for research, drug development and prevention activities. Some \$400 million of this amount is devoted to prevention activities. More federal research and prevention funding is now devoted to AIDS than to any other disease, except cancer.
- o In addition, HHS programs help pay for care of people with AIDS, in particular those who have exhausted personal resources and private insurance. The Medicaid program provides coverage for some 40 percent of people with AIDS at some point during the course of the disease. Medicaid spending on AIDS (federal share only) will be over \$1 billion in FY'92 (1.08). In addition, Medicare will spend \$280 million and Social Security assistance payments (for disabled and low-income persons with AIDS) will be \$439 million.
- o We have made significant advances in the care of people with AIDS. In 1985, fewer than 40 percent of those diagnosed with AIDS survived 18 months. By 1987, 60 percent lived at least that long after diagnosis. Today people with AIDS can look forward to several years of productive life.

- o People who are infected with HIV but do not yet have AIDS are also benefiting, especially as a result of the rapid review processes for crucial new drugs which have been implemented at FDA.
- o In addition to expedited review processes at FDA, in 1989 we also instituted new Community Programs for Clinical Research on AIDS. These are treatment research programs based in the communities where people with AIDS live and receive their medical care, and the programs provide an opportunity to serve many people who previously could not participate in clinical trials of promising experimental AIDS therapies.
- o The President's priority for the war on drugs is likewise key to controlling AIDS, since needle-sharing is an important avenue of transmission. (We need to help addicts escape drug dependency, and attack drug abuse itself, not distribute free needles to those who are addicted.)
- o In addition, as AIDS is becoming more and more focused in minority communities, special efforts are being made in both prevention and research among minority Americans.
- o (Recently, CDC has also published guidelines on health professionals and AIDS. In the overwhelming majority of cases, patients have no cause for fear of getting AIDS in a medical setting. For exposure-prone invasive procedures, however, CDC guidelines call on health professionals to be tested for HIV and, if infected, to tell any patient before performing an exposure-prone invasive procedure.)
- o Our progress against AIDS is remarkable, especially when compared with the historical precedents provided by other diseases, where many decades have been required to achieve the kind of progress we have already made regarding AIDS. He also emphasized, however, that AIDS remains essentially uncontrolled and that populations, especially including our adolescents, must be made fully aware of the presence of AIDS and the dangers it presents.
- o The most important fact about AIDS is that in virtually every case, the individual can completely protect himself or herself against AIDS through healthy behavior choices. Every American needs to understand that simple fact. (Note for your use: The exceptions are pediatric AIDS and rare cases of blood exposure.)

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Economy

TALKING POINTS

1) What do you think about the new Consumer Price Index figures?

BACKGROUND: The Department of Labor released the new Consumer Price Index statistics Wednesday, August 14th. Consumer prices rose only modestly (0.2%). The annual inflation rate based on the Consumer Price Index is presently running very low (2.7% which is much less than the 1990 figures of a 6.1% increase). Unemployment is down from 7.0% in June to 6.8% as well.

- o I share Secretary Mosbacher's enthusiasm about the modest increase in consumer prices. Lower inflation will enhance consumer purchasing power.
- o I welcome lower inflation rates and the decrease in unemployment figures as well. These are positive signs for our economy.

2) Any comments on the beach closings on the coast of Maine? Beach

382 7963
BACKGROUND: A Maine beach, East End Beach in South Portland, was closed for six weeks and 30 other advisories were issued due to bacteria from sewage, according to a report released by the Natural Resources Defense Council on Wednesday. The problem results from sewage overflow from obsolete sewage treatment systems, and increasing levels of polluted storm water drainage. The report shows that sewage forces closings of hundreds of beaches annually. There were 1,429 closings in 10 states in 1990. Maine, Delaware and Connecticut are the only states which use testing methods preferred by the EPA. Maine uses the strictest limits on bacteria.

William Reilly has called sewage runoff pollution the last major source of contamination left uncontrolled in the U.S.

- o I am relieved to hear that Maine uses the strictest limits on water testing to protect beachgoers.
- o Sewage runoff is a serious threat to our natural resources. We must find better ways to deal with this type of pollution.

USA TODAY

8/15/91

Bacterial 'chaos' closing beaches

By Paul Overberg
USA TODAY

The Natural Resources Defense Council reported Wednesday that a survey of 10 states shows bacteria from sewage forces hundreds of beach closings each year.

The study also shows states use a hodgepodge of standards and methods for monitoring beaches, and most don't close a beach even when bacterial levels top state standards.

The result is "regulatory chaos," said Sarah Chasis, a member of the Washington-based environmental group. Chasis said the group supports bills in Congress to require uniform testing methods, standards and public notification.

For swimmers, high levels of bacteria pose risks of diarrhea, nausea and headaches. Viruses or parasites may cause infections or disease. Highlights:

► 1,439 closings in 1990, and more than 1,000 in scattered records from 1988 and 1989.

► Just three states — Connecticut, Delaware and Maine — use the testing method preferred by the Environmental Protection Agency. But Connecticut tests beaches just once a month, and Delaware loosened its standard last year to allow 50% more bacteria than the EPA recommends.

► Of the 10 states, only New Jersey mandates closure for beaches exceeding its standard in weekly tests.

► Maryland and Connecticut test beaches just once a month, and Rhode Island tests some beaches only at the beginning of the summer.

► Maine uses the strictest limits on bacteria; New York is the most lax.

Diane Cameron, the report's co-author, said problems often lie in sewer systems that overflow into storm sewers, accidentally or on purpose, in heavy rains. Sewer plants may also shunt overflows into the ocean without treatment.

"We can go a long way in solving our problem... by solving our urban runoff problem," Cameron said.

The group also urged tougher rules on septic tanks and construction of more facilities where boat owners can pump out their toilets and development of an easy-to-understand index of water quality similar to EPA's air quality index.

Paul Overberg writes for Gannett News Service.

► Editorial, 10A

REVENUE

Bush Presidential Library Photocopy

Bush Library Photocopy
Preservation

A14

THE NEW YORK TIMES

2,400 Beach Closings Tied To Old Sewers, a Study Says

By KEITH SCHNEIDER

Special to The New York Times

WASHINGTON, Aug. 14 — Obsolete sewage treatment systems, coupled with rapidly increasing levels of polluted storm water draining from cities and suburbs, are responsible for closing thousands of beaches each year, an environmental group said today.

In a new study, the Natural Resources Defense Council documented the reasons for 2,400 beach closings in 10 states in 1989 and 1990 and found almost all of them were caused by antiquated sewer systems.

Confirming the council's findings, the Federal Environmental Protection Agency said today that in 1,200 cities in the East, Middle West and Northwest pipes carrying household wastes also carry water draining from cities and suburbs. After heavy rains, storm water filled with animal wastes, lawn chemicals and street debris flood the sewers, swamping treatment plants and touching off steps that divert the rush of filthy water into rivers, bays and the ocean.

Worst Contamination

The worst bacterial contamination problem in the country is in the coastal waters of New York, New Jersey and Connecticut, the Natural Resources Defense Council study said. New York City has more than 500 storm water outlets that routinely overflow in storms and pour hundreds of millions of gallons of untreated wastes into the harbor and the Long Island Sound, leading to beach closings.

Billions of gallons of storm water runoff and raw sewage flowing into coastal waters were responsible for closing 750 beaches in the three states in 1990, the study said.

Another problem identified by the study's authors was the inconsistent standards states use to close beaches or advise swimmers from entering the water. Bacterial contamination that might not necessarily close a beach open in New York, for instance, would shut one in New Jersey.

The environmental group called today for the environmental agency to set a stringent standard for the country, and state environmental officials agreed. "There should be a uniform standard nationally so that everybody is closing at the same levels for the same reasons," said Arthur J. Rocque Jr., assistant commissioner of the Connecticut Department of Environmental Protection and head of the agency's Long Island Sound Program.

Cost Is Enormous

The Environmental Protection Agency said today that the technology for solving the coastal pollution problem was readily available, but the cost was enormous. Rebuilding sewers and adding water treatment plants to eliminate the problem could cost \$60 billion, the agency said.

New York City has proposed a \$1.8 billion program to rebuild sewers in Queens and Brooklyn to eliminate bacterial contamination in Flushing Bay and several other important bodies of water in the city.

A study by New York and Connecticut has put the cost of rebuilding sewers and adding water treatment plants to clean up the Long Island Sound at \$3 billion to \$4 billion. Earlier this year, New Jersey provided \$15 million to its 88 coastal communities to study their sewer systems and treatment plants and identify those that needed to be modernized to prevent periodic contamination problems caused by storms. The studies are due to be completed in a year.

"We've recognized for a period of time now that sewer overflows and storm water runoff is a big problem that needs to be fixed," said John Haggerty, a spokesman for the New Jersey Department of Environmental Conservation. "We're moving full steam ahead with it."

The environmental group's study, "Testing the Waters" looked at the causes of public beach closings and pollution advisories in 1989 and 1990 in 10 states: California, Connecticut, Delaware, Florida, Maine, Maryland, Massachusetts, New Jersey, New York, and Rhode Island.

1,429 Beach Closings in 1990

These states are home to 34 percent of the nation's population and include the majority of the country's most heavily used and heavily polluted beaches, the environmental group said. In 1990, the group documented 1,429 beach closings and pollution advisories, 750 of them in New York, New Jersey and Connecticut. In 1989, 1,029 beaches were closed, according to the study, and the New York tri-state region accounted for 800 of the closings. New York led all the states in the study, accounting for 792 closings and advisories in both years.

According to the study, among the most dangerous beaches in the country to visit after a rain storm were Mamaroneck Beach on Long Island Sound in Westchester County, N.Y., Beachway and Beachwood beaches in New Jersey, and Norwalk Beach in Connecticut, another Long Island Sound beach.

During the current session of Congress, several lawmakers deliberated on amendments to the Clean Water Act of 1972 aimed at addressing pollution caused by storm water runoff. William K. Reilly, the Administrator of the Environmental Protection Agency, has called such pollution that last major source of contamination left uncontaminated in the United States.

Jack

The debt-ridden Oakland Tribune yesterday, the publisher, Robert

Cash and Debt

By ALEX S. JONES

Robert C. Maynard, the owner of Tribune in Oakland, Calif., told his employees yesterday that the debt-ridden and unprofitable paper had been saved by concessions by the Gannett Company regarding a debt and an infusion of cash from the Freed Forum, a journalism foundation.

"It's wonderful to be able to employees they have jobs and tell them it has a newspaper," said Maynard, who is the only black owner of a general-interest newspaper in the nation.

If the paper had closed, it would have made Oakland the largest American city without a daily newspaper, a saving The Tribune had become a local cause célèbre, prompting an outpouring of grief and offers to help.

Brilliant Negotiations

The negotiations to save the paper were unusually bruising and had elements of high corporate intrigue because they effectively pitted Allen Neuharth, chairman of the Freed Forum and retired chairman of Gannett Company, against John J. C. ley, Mr. Neuharth's hand-picked successor at Gannett. Relations between

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UNITED STATES DEPARTMENT OF
COMMERCE
NEWS

WASHINGTON, D.C. 20230

OFFICE
OF THE
SECRETARY

STATEMENT BY SECRETARY ROBERT A. MOSBACHER
ON THE CONSUMER PRICE INDEX
AUGUST 14, 1991

We are extremely pleased that consumer prices rose a modest 0.2 percent in July, the same as the average monthly rate of increase during the first six months of the year.

Inflation, based on the Consumer Price Index, is presently running at an annual rate of only 2.7 percent, down sharply from the 6.1 percent increase in 1990.

Very low inflation is a welcome development for consumer purchasing power. This news creates the right environment for possible additional reduction in market interest rates.

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News

United States
Department
of Labor



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UNTIL 8:30 A.M. (EDT)

Wednesday, August 14, 1991

CONSUMER PRICE INDEX--JULY 1991

The Consumer Price Index for All Urban Consumers (CPI-U) rose 0.1 percent before seasonal adjustment in July to a level of 136.2 (1982-84=100), the Bureau of Labor Statistics of the U.S. Department of Labor reported today. For the 12-month period ended in July, the CPI-U increased 4.4 percent.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) also rose 0.1 percent in July prior to seasonal adjustment. The July 1991 CPI-W level of 134.3 was 4.4 percent higher than the index in July 1990.

CPI for All Urban Consumers (CPI-U)

On a seasonally adjusted basis, the CPI-U rose 0.2 percent in July, the same as the average monthly rate of increase during the first 6 months of the year. Both the food and energy indexes registered declines in July--down 0.6 and 0.4 percent, respectively. A sharp downturn in fresh fruit and vegetable prices was primarily responsible for the drop in the food index. Energy costs declined for the seventh time in the past 8 months as a decrease in petroleum-based energy goods more than offset an upturn in charges for gas and electricity. Excluding food and energy, the CPI-U rose 0.4 percent in July, the same as in June. Within this index, prices for commodities rose 0.4 percent, on the strength of higher clothing prices, and the services component rose 0.3 percent.

Table A. Percent changes in CPI for All Urban Consumers (CPI-U)

Expenditure category	Seasonally adjusted							Unadjusted 12-mos. ended July '91	
	Changes from preceding month								
	1991								
	Jan.	Feb.	Mar.	Apr.	May	June	July		
All items	.4	.2	-.1	.2	.3	.2	.2	3.0	4.4
Food and beverages	.9	.1	-.2	.7	.0	.5	-.5	4.0	3.5
Housing	.8	.5	-.1	.2	.2	.1	.3	2.1	3.9
Apparel and upkeep	1.0	1.6	-1.2	-.2	.5	-.1	.9	5.5	3.6
Transportation	-1.2	-1.1	-1.0	-.3	.7	.2	.0	3.6	4.2
Medical care	.6	.7	.6	.5	.6	.6	.6	7.3	8.6
Entertainment	.7	.5	.4	.7	.1	.2	.4	2.6	4.4
Other goods and services	.7	.7	.7	.8	.2	.8	.3		

-2-

During the first 7 months of 1991, the CPI-U has advanced at a 2.7 percent seasonally adjusted annual rate (SAAR). In this period, energy costs have declined at a 15.5 percent rate, partially offsetting the increases in the indexes for food and other nonenergy items--up at annual rates of 2.2 and 4.9 percent, respectively.

The index for food and beverages declined 0.5 percent in July. Grocery store food prices fell 1.2 percent in July, following an increase of 0.7 percent in June. Fruit and vegetable prices, which rose 4.0 percent in June, declined 5.1 percent in July and accounted for nearly 90 percent of the grocery store food index drop. Within this category, price decreases of more than 20 percent were recorded for both lettuce and tomatoes. Despite plummeting in July, tomato prices remain 38.5 percent above their level at the beginning of the year. Also contributing to the July grocery store food decline was a 0.5 percent drop in the index for meats, poultry, fish and eggs. Declines in the prices for beef, pork, fish, and eggs more than offset an increase in poultry prices. Each of the other major grocery store food-group indexes--cereal and bakery products, dairy products, and other food at home--rose 0.1 percent in July. The other two components of the food and beverage index--restaurant meals and alcoholic beverages--rose 0.4 and 0.3 percent, respectively.

The housing component rose 0.3 percent in July, following an increase of 0.1 percent in June. A turnaround in the index for household fuels and other utilities--up 0.7 percent in July after a decline of the same amount in June--was the primary reason for the larger July increase. Within household fuels, a drop of 0.3 percent in prices for fuel oil was more than offset by increases of 1.8 and 0.8 percent in prices for piped gas and electricity, respectively. Shelter costs rose 0.2 percent in July after increasing 0.3 percent in June. Within shelter, renters' costs increased 0.3 percent and homeowners' costs, 0.2 percent. Also contributing to the larger July housing increase was an upturn in the index for household furnishings and operations which rose 0.3 percent, reflecting a return from summer sales for many major housefurnishing items.

Transportation costs were unchanged in July. Gasoline prices fell 2.2 percent in July, following a 0.3 percent decline in June and a 2.6 percent jump in May, the traditional start of the summer driving season. Gasoline prices are now 18.2 percent below their peak level of last November. The index for new vehicles registered a 0.2 percent increase after seasonal adjustment. Automobile finance charges fell 0.1 percent in July, their fifth consecutive monthly decline. Used car prices registered their third consecutive large increase--up 1.1 percent in July--after declining in each of the first 4 months of the year. Automobile insurance costs rose 1.3 percent in July to a level 8.3 percent higher than in July 1990. The index for public transportation rose 0.1 percent as a decline of 0.3 percent in airline fares was more than offset by increases in charges for other intercity and intracity transportation--up 1.3 and 0.8 percent, respectively.

The index for apparel and upkeep rose 0.9 percent in July. Smaller than normal seasonal price reductions for spring and summer clothing, reflecting tight inventories, were accompanied by earlier than usual introduction of higher-priced fall and winter wear. In addition, jewelry prices, which had fallen sharply in each of the 2 preceding months, advanced 5.5 percent in July.

THE WHITE HOUSE
Office of the Press Secretary

Immediate Release

July 26, 1991

PRESS BRIEFING BY
CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS
DR. MICHAEL J. BOSKIN

The Briefing Room

11:50 A.M. EDT

MR. FOSTER: Good morning. Our briefing this morning on today's current GNP figures and other economic data will be ON THE RECORD, and sound footage at the top. Our briefer will be Dr. Michael J. Boskin, the Chairman of the President's Council of Economic Advisers. I think he has a statement.

DR. BOSKIN: Thank you. As those of you who have heard me in here before know when I've briefed on the GNP data, each quarter the Commerce Department prepares three sets of estimates on the previous quarter's GNP. This morning it released what's called the advanced or the first of the three of those reports on the second quarter of calendar 1991, the April through June period. As you know, the economy had been in recession, real GNP declined in the fourth quarter of 1990 and the first quarter of 1991. Their first of their three estimates for real GNP in the second quarter of 1991 is that it grew at a modest 0.4 percent rate.

This further indicates that the recession appears to have ended in the spring and a recovery has begun. The measures related to GNP such as gross domestic product, the total value of things produced within the United States, rose more rapidly than GNP, for technical reasons I won't get into here. I think Commerce covered it in its briefing, although I'd be happy to take some questions.

So the total value of goods and services produced nationally is rising again. That is good news. The broad base measure of inflation associated with all the components of GNP, called the GNP fix-- price index that measures not just the prices of consumer goods but also of capital goods for investment and government services and so on, rose at an annual rate of a modest 3.0 percent down sharply from the first quarter and from late last year. And this confirms that inflation not only is substantially below last year, but is on a downward trend. Both of those are very good news indeed.

The recession is proving to follow the broad outlines, indeed kind of uncannily accurately, following the outlines we laid out late last year and in our forecast prepared last December and January and reiterated with minor revision in the midsession review of the budget.

We said then that after a couple of quarters of declining GNP which totaled almost exactly what we had thought, we were off by about a tenth of a percent, that there would be a small gain in GNP of a few tenths in the second quarter, that's what happened. And our forecast, which we still think, and this confirms following the path we've been seeing, strongly confirms our notion that the economy is most likely to follow a path of modest growth in the second half of this year in the two and a half to three percent range and then a little over three percent range, and then a little over three percent next year. The recession has, if it indeed when officially dated by that private organization that does so -- the National Bureau of Economic Research -- if it does get dated in the spring will have been a little shorter and considerably shallower than the average

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post-World War II recession.

The decline in real GNP from peak to trough is about 1.1 percent, measured in constant 1982 dollars. The post-war average has been two and a half percent -- pardon me, it's actually 2.6 percent if you look at the peak to trough decline in real GNP. Likewise, we predict a modest -- not anemic, not spectacular -- a modest but sustained recovery at a rate that, while less than the average rate of recoveries from post-war recessions is at an average rate heavily because the recession was considerably shallower than previous recessions in the post-war period on average.

That's our baseline outlook. I always tell you that economic forecasting is in imprecise science, and human behavior is complex and difficult to predict and there are unforeseen events. I'm in the embarrassing position of doing that at a time when the administration's outlook has been quite accurate. It's impossible for us to continue to be accurate every quarter for variations in the economy. We hope the economy obviously does even better than we are forecasting, and I would indicate that while our forecast is our best judgment, that the possibility the economy will do still better is about the same as the possibility the economy won't do as well as in our forecast. There is certainly some possibility the economy will do even better than we have forecast.

I would add one or two other points which I've made before, but I think are important to emphasize. The GNP measures the total value of the nation's production. It doesn't measure a specific region or a specific single industry; it's built up from that. But the overall measure is an average across all of them.

So clearly, there are some regions and industries which continue to grow during the recession; there are other regions and industries which were hit earlier or harder than this average. That's always been the case, even when the economy booms, that some regions lag behind; and when the economy is in recession, some continue to do reasonably well.

Again, we expect the recovery to continue, we expect it to gain momentum. The strongest part of the economy was in consumer purchases and in residential outlays. The area of the economy that traditionally lags and turns -- of spending the turns last is business investment, and that has been the case in this recession as well, as business investment has continued to lag and businesses continue to liquidate inventories which are now very, very lean.

So when inventories start to get rebuilt, which probably will occur in the third quarter but will certainly occur over the next few quarters, that should lead to a boost to the GNP figures. Indeed, if it happened to be concentrated in a very short span like one period, you could see an unexpectedly strong one quarter of GNP because of a rapid turn in inventories.

We think that will turn around certainly on the residential investment side and on the producers' durable equipment purchases. Commercial building obviously is likely to be less robust as there is still a substantial overhang in many sectors of the country of commercial real estate.

I'd add one additional factor, which is that while down slightly from last quarter, real net exports, the inflation-adjusted value of our exports of goods and services, minus our imports of goods and services was positive for the second quarter in a row. That's the first time that's happened in many, many years. That continues to be a relatively strong side of the economy.

And one of major differences between the recent recession and the one in the early 1980s has been that the trade sector of the economy -- our international accounts -- have done much better and have improved during the recession and have -- the recession would

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have been worse had we not seen this strong improvement. Compared to the early '80s recession where the trade sector was one of the worst performing, the trade sector deteriorated much more rapidly than the overall economy and worsened the overall recession.

That's kind of a -- sort of a wide overview of these data, but I'd be happy to take a few questions.

Q Dr. Boskin, given the fact that five of the last eight recessions have had one positive GNP quarter followed by further negatives, what makes you confident that's not going to happen this time, given how weak the second quarter growth was?

DR. BOSKIN: First of all, let me remind you that there will be two revisions of these data. They could be up or down, but next month and the month after as further data come in, the Commerce Department will revise these estimates. So I think that's important to bear in mind.

It has been the case that on occasion there's been in a positive quarter then another negative one in previous recessions. But if you look at how the sectors of the economy have been turning around and the various preconditions that fell into place in the spring leads us to believe that the third quarter will certainly be -- is almost certain to be considerably stronger than the second quarter in terms of GNP growth. And we expect the economy to move forward from that.

Can one absolutely rule out 100 percent that there wouldn't be another dip? Of course not. There's nothing certain in forecasting the future of the economy. It's impossible to forecast with 100 percent certainty.

Q One of the private economists who was commenting on the GNP figures today, described it as a covert recovery and one that's not being felt by the average American. Would you agree with that?

DR. BOSKIN: We certainly are concerned about the human costs of those who have become unemployed during the recession, and we want to see the economy on its way to a healthy recovery and a more robust recovery as soon as possible. We think that it is on the way to a more robust recovery, so I want to certainly express concern about the human costs in that regard.

I think you have to understand that a recovery is starting to move up from the bottom. So the economy moved down for a while; fortunately it was shallower than the average postwar recession. In the average postwar recession, the unemployment rate went up three percentage points; in this one it's gone up about from about a year ago approximately when the recession started, not until the end -- but even to today's unemployment, which is a little higher than it was if the recession did end earlier in the spring -- one and a half percentage points from a level that was already the lowest unemployment in 16 years.

Unemployment's too high. We're very concerned about getting it back down. But I think if you look at all this, I think it's easy to forget that there are still some very strong factors in the economy and that we're seeing more and more sectors and more and more regions turned from the negative column into the positive column.

It's not going to be the case that we're going to get back to the peak instantaneously; it takes a while to get back up to the peak and then to improve beyond where you were before. I think sometimes in the discussion of it, business sales, for example, are often reported relative to a year ago. The term "recovery" or "expansion," the way economists use it to describe the economy means that we've stopped contracting and begun expanding, and we're clearly

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-- I'll leave it to the NBR to date, but two or three months into an expansion probably. We're not yet back, and it'll be some months before we're even back to where the recession started.

Q -- seems to be -- what you seem to be suggesting is that there is a recovery underway in economists' terms but not necessarily in terms of the average -- what the average citizen sees.

DR. BOSKIN: No, I think the average citizen -- consumers clearly have felt more confident, have been spending more, et cetera. But it takes a while for enough momentum to get built and enough positive months in enough sectors to swing from the negative to the positive column to start bringing the unemployment rate down, improve the labor market and so on. We saw some preliminary signs of that in May -- employment rose; it declined a little bit in June. We'll get another report on that for July and revisions for June next Friday. But we believe that we're in the early stages of a recovery, and you can't expect that when you've had a recession, even one that's been relatively shallow, that within a couple of months you'll be back to where you were before; it takes a little longer than that.

Q Could you rate the chances of another dip? I mean, some people are saying it's really 50-50. Where would you put it?

DR. BOSKIN: I think that's way too high. I wouldn't put a percentage on it. I would say that many of the private firms that do forecasting do these kind of probabilities -- here's our baseline and we put 60 percent probability on that and 20 percent on this and so on. And the ones that have come across my desk have been in the range of like five percent or something like that; 10 percent at the most. I think it's improper for me to mention individual company names, but the private forecasters seem to be talking in those terms.

Q Looking ahead over the next year or so, what are the main threats or concerns that you have about economic growth -- I mean, that's not -- money policy?

DR. BOSKIN: Well, I think there are several. Obviously, the supply of money and credit needs to grow at a rate sufficient to sustain a recovery and reasonable economic growth, while also gradually reducing inflation. We're making progress on the inflation front. The money growth figures certainly have been disappointing, and as I said the other day, unless they turn around quickly, the Fed's going to have to take some more action. I think the Fed's aware of that. They have said on and off over the last few months that they've been disappointed. They thought the money supply was about to expand to or above the middle of their range, and it has retreated below it every once in a while and is now considerably below it. So clearly, that's an important factor.

The so-called "credit crunch" which is interrelated with this, remains a concern, especially for the small- and medium-sized businesses seeking to expand, which have had major problems in the availability of credit -- most severely in real estate and industries related to it, but it's a general problem.

Finally, the third concern -- I mean, I have many, but the three I put at the top of my list -- the third would be slower growth abroad than already has occurred or is being forecasted. The rest of the world slows down still more than we have anticipated. That could lead to -- in effect, depressing our exports, which have been a major source of strength for our economy.

Q If the administration is concerned about the human costs, and if it is going to take a while for this recovery to take hold, why does the administration oppose extending unemployment benefits?

DR. BOSKIN: We have made clear that we think that a multibillion-dollar increase and extension of unemployment benefits

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should not violate the rules of the budget agreement and should be offset elsewhere in the budget. I think the last thing we need to do is to increase the budget deficit and to -- which would have adverse effect on interest rates, harm the economy, possibly throw other people out of work. So I think it's important to understand that the debate is first of all focused on maintaining the pay-as-you-go discipline in the budget law.

I would just, by way of background, while mentioning the concern for the human costs of those who are out of work or who have lost their job during the recession, just by way of background, it's not meant to signal -- an other thing, this is just for your own general edification -- the unemployment rate now, while far too high and we expect to start falling soon, is below the unemployment rate when the recession in the early -- this is sort of at the end of this recession and at or near its peak -- is below what it was when the previous recession began. It began at over seven percent and it went up to almost 11 percent in the last recession. And indeed it's below -- in the last recession when the unemployment rate was almost 10 percent, the extended employment benefits thus were triggered, they were removed when the unemployment rate was above where it is now.

That shouldn't in any way be considered a lack of concern for people who have lost their benefits or whatever, but I just think it's sort of to keep it in perspective and to keep in perspective the notion of why there should be offsets and so on. It's important to keep that in mind.

Q I take it, Dr. Boskin, that the M-2 numbers Thursday, yesterday afternoon, were a disappointment?

DR. BOSKIN: No surprise there. That's correct.

Q You said Tuesday also, up on the Hill, that there was some question about that action in the meantime because of long-term rates, whether or not they may react in a negative fashion if there was a short-term --

DR. BOSKIN: No.

Q Since then they've come down a little. I'm wondering --

DR. BOSKIN: No, what I said was that the Fed has been expecting the money supply numbers to expand at a more rapid rate than they have been. They've also been expecting the rate at which money turns over in the economy, the technical name for that by economists is called velocity to increase and that those two factors would support a solid recovery. And I think they have been somewhat surprised that the money supply numbers have not gotten to where they thought they were going to be.

So I said that if indeed this expectation they had had were correct, that the money supply numbers were about to go higher considerably higher and/or the velocity would increase a lot, then one could understand their current position; there was a case for understanding their current position under those circumstances, but only under those circumstances.

Q I think you said you'd like to see the money supply turn around quickly. How soon is quickly?

DR. BOSKIN: Well, and I think that it's important that it begin to grow at a more solid rate very soon, preferably. Now, again --

Q Weeks or months or what?

DR. BOSKIN: As soon as possible. But again that doesn't -- the important thing is that there are things that occur in the

MORE

economy that are in the pipeline that they believe will already affect the money supply positively and it will grow more rapidly. It's becoming perhaps less and less likely or it's been delayed longer than they had expected and certainly than we had expected, so we believe that it's important that they be real vigilant. And unless we see a turnaround very, very soon they're going to have to take action to move seriously to get the money supply up.

Q If I may follow on that once more. You've said earlier this week that they should wait only a short period; now you're saying very, very soon. Are you becoming increasingly concerned about the slow growth of --

DR. BOSKIN: In between, as was just pointed out, not only did the money supply continue to grow slowly but actually fell. So after a while you look at those money supply figures and you say, are we going to have a sufficient growth of money and credit to support the expansion? And they make a case and had made a case that was a respectable one that the money supply, because of things that had already occurred, events -- actions they had taken and actions in the economy -- was about to start expanding at a more rapid rate and the velocity was going to increase. Well, we haven't seen that yet. And of course, we don't want to see much time go by before we start seeing the money supply numbers that are rate sufficient to support the recovery. And we think that --

Q Is it time for the Fed to change policy?

DR. BOSKIN: Unless there is action very, very soon -- unless the money supply, for reasons already in the pipeline, starts to expand at a much more healthy pace soon, then obviously the Fed will have to take action quickly.

Last question.

Q Does the money supply figures indicate that the credit crunch is worsening again?

DR. BOSKIN: I think that it's impossible to say to what extent this is due to the credit crunch and to what extent it's due to other forces at this stage. One hypothesis is that the whole set of things surrounding the generic term "credit crunch" -- a bank's reluctance to lend capital at ratios, the nature of their assets, the regulatory environment, all those kinds of things have bank lending, which is a major part of money-supply expansion, going on at a slower pace than many people had expected for the decline in interest rates that occurred earlier in the year in the course of the economy.

Thank you.

THE PRESS: Thank you.

END

12:12 P.M. EDT

Sununu's invite flap a myth

WASHINGTON — Can any credence be put in published reports that President Bush surreptitiously restored invitations to close supporters for the recent Camp David campaign planning session after they had been stricken from the list by Chief of Staff John Sununu?

The answer — almost surely — is no. Even Sununu critics call the story pure fiction. Yet the fact that somebody credible enough to be relied on by reputable journalists put out the story is the political talk of the town these August dog days.

That's because it connotes the harsh grinding of gears by the still uncompleted re-election machine. Here is no GOP band of brothers. The point may appear to be moot in the face of Democratic fecklessness, but in fact just such internal stresses could threaten Bush in a close election.

After the weekend planning session at Camp David, reports surfaced of tension between the president and his embattled chief of staff. The Boston Globe said that "a few of those in attendance reportedly had been scratched by Sununu but their names were put back on the list by Bush."

A more graphic account appeared in this week's *Personne* section of *Newsweek* under the headline, "Chief of Gaffes

Strikes Again." Sununu was reported deleting from Bush's list a "handful of names," including longtime Bush associates Rich Bond, Pete Teeley and David Bates. Bush did not confront Sununu directly but saw to it that the rejects were invited — which increased the distance between the two men.

A variety of sources produce an entirely different version. Bush got together with Sununu at Spassow House during the Moscow summit and put down about 20 names for the Camp David session following his return home.

Included were Bond, a Bush operative in 1980 and 1988, and now a New York-based political consultant, and Teeley, Bush's press secretary in past campaigns and now a Washington lobbyist. Later, Bush on his own added another 15 names, including former secretary of cabinet Bates, now a Washington lawyer.

There was no question of Sununu removing people invited by the president. Sununu has had hard times with both Teeley and Bond, but he is not foolish enough to impede their access to the president. That is particularly true of Teeley, one of Bush's favorites who sees him on a regular basis.

That Sununu is innocent this time has been recognized in pri-

vate political discourse by such non-Sununuites as Teeley and Washington lobbyist Craig Fuller, a former Bush chief of staff who lost out to Sununu for the job in 1989. The fascination thus becomes the determination somewhere inside the Bush inner circle to fuel the press assault against Sununu.

The purpose can only be to get rid of Sununu before the presidential campaign gets underway. If he is still chief of staff after Labor Day, he is automatically a big player.

As chief of staff, Sununu will have an overriding impact on what the president says and where he goes, which is the nub of the re-election effort.

Sununu will get into more than that. Teeter is no nuts and bolts political mechanic. Commerce Secretary Robert Mombacher as chairman will not dominate as Baker did in 1988. Business executive Fred Malek, in line to be campaign manager, displayed at Camp David the inexperience to be expected from a resume showing a low-level job in 1972 as his last national political campaign assignment.

That leaves the battered John Sununu with his hand on the tiller for '92. The story of the canceled invitations has the earmarks of one of the clumsy attempts to dispose of him before it's too late.

A real wetland to call her own

Let me be perfectly honest, and up-front about this: I own a wetland.

Now before you say, "There she goes bragging again," let me assure you it is not a lake, a pond, or a stream. It's not even a swamp.

What it is, basically — how shall I break this to you — is a puddle... on my driveway.

Well, it's not always a puddle. Mostly it's a puddle in April. If we've had a wet spring, and it's sometimes a puddle for a couple of hours after a rain storm. It has soiled several pairs of running shoes, when I forgot to walk around it. And when it's really at full capacity it makes the dog's feet a mess (which subsequently make my floors, rugs, and the spread on her favorite bed a mess).

It may not look like much, but it is genuine, authentic, certified by the state Department of Natural Resources wetland, and being good environmentalists we have always treated it with the reverence it deserved.

We built our home well away from the spot — a decision based not merely on legal niceties, but such practical considerations as it's not fun having water rising up through the basement. When it came time to clear a path for the driveway, we filed all the requisite paper work with all the appropriate agencies for permission to be able to drive over a sometime mud puddle on our own land. (At times like this it also helps to be married to a lawyer whose patience with such paper work knows no bounds.)

We got permission for a gravel driveway. Asphalt would never be in the cards. This was, after all, genuine, authentic, certified wetland. Okay, by us. Frankly, I love the sound of a car moving on the stones. It's such a country kind of noise, and isn't that why we moved to this wonderful spot with its genuine, authentic, certified wetland?

On each side of this monument to nature's blessings (the whole patch is perhaps a couple yards square) we have planted willow trees. They love wetland, and as far as we know there was no law against that. (If there is, I guess I've really blown my cover now.)

My wetland and I have been peacefully co-existing for more than a decade. Now the president, my commander-in-chief — the man who rescued Panama from Manuel Noriega, rescued Kuwait from Saddam Hussein, and rescued Dan Quayle from political obscurity — has now decreed that my genuine, authentic, certified wetland might no longer qualify as wetland at all.

Just like that.

On the same day George Bush hits the golf course up in Maine, he issues this proposal changing the very definition of a wetland. (Do you

want to bet the man hit into a water hazard or something that day?)

The existing federal definition — developed in 1989 by a collection of scientists and officials of the Departments of Agriculture, Interior, the Environmental Protection Agency, and the Army Corps of Engineers — classified as wetland any ground that had mucky, or peat-based, soil, contained certain plant life and had water within 18 inches of the surface for at least seven days during the growing season.

And you skeptics wondered how my puddle could qualify, huh?

Overnight millions of acres became official federally protected wetland. A lot of farmers found that land that their ancestors had cultivated for generations was now closed off to them. In fact, much of the state of Vermont fell under that definition.

With the best of intentions, the administration had been led down a somewhat mucky garden path by environmentalists. Now the new policy, which attempts to interpret some semblance of common sense into the process, has them outraged.

To qualify as wetland under the new definition — which must now go through an 18-month-long discussion and review process — ground must have saturated surface soil for 21 consecutive days during the growing season or standing water on it for 15 consecutive days of the year.

(By this definition even my mud puddle stands a fighting chance of making the grade. But does this make Jay D. Hair, president of the National Wildlife Association a happy camper? Not by a long shot.)

The administration's new wetlands policy represents a death sentence for millions of acres of this critical American resource, says Hair.

My commander-in-chief is obviously not moved by such rhetoric.

A pothole in the backyard is not wetlands, Bush said last week. "We're not going to screech this country to a halt and throw everybody out of work in the process."

Actually, Mr. President, it's a pothole in my front yard, the backyard is nice and dry, thank you very much. But I get the point, and you're right.

The Earth will not be worse off if my puddle is no longer genuine, authentic, certifiable wetland. Once upon a time it might have saved some bu reaucrat hours of looking over forms and issuing a ruling. Now, there's a scary thought!

For now the willow trees are happy. We just won't tell them they might no longer be on wetland any more.

Rachelle G. Cohen is editor of the editorial pages.

BEVERLY BECKHAM

GWTW needs happy ending

The writing is tacky. There are too many "My darlings" and exclamation marks and phrases like "there were no longer words or thoughts, only a union beyond mind, beyond time, beyond the world."

But that's not what's wrong with "Scarlett: The Sequel to Margaret Mitchell's *Gone With the Wind*." The original GWTW is 1,087 pages full of "middle-deeds" and "Oh, how unfair life was!" and even tackier sentences like "She felt again the rush of helplessness, the sinking, yielding, the surging tide of warmth that left her limp."

Yet for 52 years, Americans, Europeans, Japanese, Chinese, Koreans, Brazilians, millions of people, young and old, all over the world have been freshly intoxicated by these shop-worn, overly dramatic sentiments.

Why? Because Margaret Mitchell's Pulitzer Prize winning novel wasn't just an ordinary love story. It was a love story set against all odds. Scarlett O'Hara's world was destroyed in front of her eyes. She lost her home, her family, her friends, her pampered past and her privileged future. She was a spoiled, selfish girl who should have been undone by what happened, who should have withered and died along with the way of life she thought would always be.

But she didn't die. She survived, and survived in style. She didn't just grow, she prospered and thrived.

In 1936, when GWTW was

published, the world was once again smack in the middle of a transformation. The Great Depression was still gnawing at people's heels, and Roosevelt's New Deal, which was supposed to make everything better, was being called a Raw Deal. Life was hard and not getting easier.

Then along came Scarlett, a willful, headstrong, gutsy survivor. The world didn't break her. It just made her stronger. It was a subtle message, but it was there. And it was this message that elevated the book from historical romance to historical novel, and made it the best-seller it still is.

Those in the know today believe that the millions who continually re-read "Gone With the Wind," the millions who have memorized entire scenes from movie, will jump at the chance to know what Paul Harvey calls "The Rest of the Story." Did Scarlett get Rhett back, or did Rhett walk out of her life once and for all? That, after all, has always been the number one question.

And no doubt the book will be a big-seller because people are curious. (How will Alexandra Ripley, a Southern writer of historical novels, who was chosen to finish what Margaret Mitchell believed she had finished a half century ago, who studied every word of GWTW, who even wrote out whole chapters in longhand to get a feeling for how the words felt, end the story?)

In just a month for \$24.95 the answer will be available. Yet

even Ripley is predicting, according to *Life* Magazine where a small excerpt appears this month, that there will be "wide-spread hatred of the book among devotees of the original."

Ripley is right. The book will be hated, but not solely because of what she wrote or how she wrote it, but because of what she didn't write.

For the simple truth is that no one really wanted a sequel. What we wanted and want still is a look not into the future, but into the past, a glimpse at all that might have been.

That's the sole reason we re-read the book. That's why we never tire of the movie. We come back for more because we continue to hope against hope that the past can change, that what we know will happen won't happen this time around.

This time Rhett won't stop kissing Scarlett when he asks her to marry him. This time he won't spoil the moment with a sarcastic barb. This time he won't pretend not to care about her on the morning she is suddenly certain she loves him. This time Rhett will hear Scarlett crying out his name in her room after her fall.

This is what we all want: Rhett and Scarlett to be together. Bonnie to live. The past fixed. The missed opportunities taken.

And, of course, we want, as that one final line not "After all, tomorrow is another day," but the ending we hunger for: "And they lived happily every after."

WEATHER

WEATHER HOT LINE

1-900-370-TRIP (8747) The 24-hour hot line gives Touch-Tone callers the time, temperature, four- and 10-day forecasts and travel conditions in 650 cities. Plus road condition forecasts for all U.S. interstates and highways, U.S. State Department advisories, and retail foreign currency exchange rates. For foreign weather, travel advisories and currency exchange rates, dial, then punch in first three letters of a city's name. Hot line costs 75 cents per minute.

WORLD WEATHER

Forecast for Today

Acapulco	90/79pc
Hong Kong	86/77sh
Moscow	68/54sh
Singapore	88/81pc
Athens	91/76s
Jerusalem	86/62s
Nairobi	68/54sh
Stockholm	69/54sh
Peking	92/72
Kingston	93/78s
Nassau	91/76pc
Sydney	62/45pc
Bermuda	87/76pc
Lima	63/57pc
New Delhi	97/84sh
Tokyo	82/71pc
Buenos Aires	74/55pc
London	73/59sh
Panama	89/78pc
Toronto	83/65s
Caracas	95/72s
Madrid	103/64s
Paris	86/60s
Vancouver	78/57s
Calgary	77/51sh
Manila	68/76pc
Rio	73/52c
Zurich	79/56s
Dublin	68/55sh
Mexico City	71/54sh
Rome	87/68s
Frankfurt	77/59s
Montreal	86/67s
Seoul	92/75s

SUN AND MOON

First Cr.	Full	Last Cr.
Aug. 17	Aug. 25	Sep. 1
Sunrise	6:52 a.m.	
Sunset	7:44 p.m.	
Moonrise	1:27 p.m.	
Moonset	10:52 p.m.	
Length of day	13:52	
Day of year	229	
Heads on	3:17 a.m.	
Heads off	3:02 a.m.	
Full Moon	Aug. 25 5:08 a.m.	
Last Quarter	Sep. 1 1:17 p.m.	
Yesterday's Sunrise Index	92 minutes	
% of possible	74	

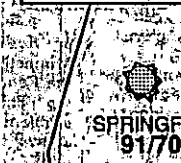
NORTHERN NEW ENGLAND

TODAY: Partly sunny, hot with scattered thunder. Highs 85-93.
TOMORROW: Hazy sun, hot & humid. Highs 88-98.



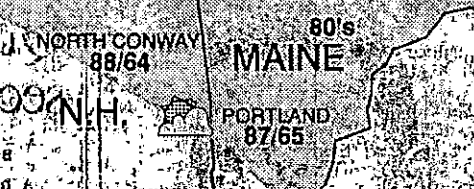
BERKSHIRES

TODAY: Mainly sunny skies, hot, not as humid. Highs near 90.
TOMORROW: Hazy sun, hot & humid. Highs 90-98.



EXTENDED FORECAST

SUNDAY: Mostly sunny, hot & humid, thunder late. 90-95.
MONDAY: Plenty of clouds, thunderstorms. Highs near 80.



GREATER BOSTON

TODAY: Mainly sunny skies, hot, not as humid. Highs near 90.
TOMORROW: Hazy sun, hot and humid. Highs in the 90's.



TIDES

GREATER BOSTON

High Tide	04:24 AM	03:37 P.
Low Tide	04:55 AM	10:04 P.
High Tide	10:35 AM	06:11 P.
Low Tide	11:05 PM	05:38 A.M.
Barnstable	04:45 AM	
Bourne	04:12 AM	
Chatham	05:06 AM	
Cape Cod East	04:35 AM	
Dennisport	05:37 AM	
Edgartown	05:21 AM	
Hampden Bch	04:44 AM	
Lynn	04:44 AM	
Marblehead	04:29 AM	
Moscow Pt.	05:16 AM	
New Bedford	05:41 AM	
Newport RI	11:52 AM	
Old Bluffs	05:06 AM	
Old Orchard ME	04:30 AM	
Plum Island	04:42 AM	
Phymouth	04:41 AM	
Provincetown	04:32 AM	
Rockport	04:33 AM	
Seaside	04:33 AM	
Wareham	04:33 AM	
Woods Hole	04:33 AM	

BOATING

Boston Harbor: Southwest winds 10-20 knots, seas 1 foot, excellent visibility.
Cape Cod: Southwest winds 10-20 knots, seas 2-3 feet, Great visibility.
Nantucket Harbor: Winds southwest 10-20 knots, a light chop in the harbor. Great visibility.
Hampden Beach: Winds southwest 10-20 knots, seas 2-3 feet, Great visibility.
Newport RI: Winds SW 10-20 knots, seas 2-3 feet, excellent visibility.
Narragansett Bay: Winds SW 10-20 knots, seas 2-3 feet, excellent visibility.
Cape Ann: Winds SW 10-20 knots, seas 2-3 feet, visibility will be excellent.
Lake Winnepesaukee: Winds SW 10-15 knots, a light chop on the lake. Visibility will be excellent.
Bar Harbor, Me.: Winds southwest 10-20 knots, seas 2-3 feet, visibility will be excellent.

FOR THE RECORD

TEMPERATURE	
DATA	
High	80
Low	73
Mean	77
Departure	1
Highest this month	91
Lowest this month	62
Highest this year	99
Lowest this year	
RECORD FOR	
August 15	
High	92 (1944)
Low	67 (1930)
DEGREE DAY DATA	
Degree days	
Total this month	0
Total this season	
30-year normal	
The degree day count measures the fuel consumption for heating how far the day's mean temperature fell below 65.	
PRECIPITATION DATA	
Total for 24 hours	0.03
Total for month to date	10.73
Departure from normal	-0.02
Total this year	20.48
Departure from normal	-5.89
RELATIVE HUMIDITY	
Humidity at 1 p.m.	78%
BAROMETER AT	
SEA LEVEL	
At 2 p.m.	1012.0 29.9
At 8 p.m.	1008.3 29.92

WEATHER FACTORS

Summer heat and humidity will make a return visit to New England over the weekend as a Bermuda high pressure system takes control along the East Coast. Today expect plenty of sunshine with hot temperatures, but not as much humidity as yesterday.

FREQUENT FLYER FORECAST

AIR TRAVEL

Thunderstorms will once again prevail across the Gulf Coast from Houston thru New Orleans and over to Jacksonville. Many showers and thunderstorms will occur over the Florida peninsula; some could be locally heavy. Some flight delays could occur in these locales. Some thunderstorm activity will occur over the Upper Mid-West and into the Rocky Mountains. A few light problems can be expected near Denver, CO.

SAN FRAN.

Clouds prevail. Mostly cloudy skies after early fog. High 71. Tonight: Cool, low 55. Tomorrow: Cloudy, fog with drizzle. High 70, low 56.

ATLANTA

Bright sunshine. Some early fog, then mostly sunny. High 87. Tonight: Warm, low 67. Tomorrow: Mostly sunny, hot & humid. High 91, low 71.

LOS ANGELES

Plenty of clouds. Mostly cloudy skies, some sun late. High 77. Tonight: Warm, low 69. Tomorrow: Mostly cloudy, cool, hazy. High 75, low 67.

NEW YORK

Hazy sunshine. Mostly sunny, hazy, hot & muggy. High 92. Tonight: Humid, low 79. Tomorrow: Partly cloudy, hot & humid. High 93, low 74.

SEATTLE

Sunny & dry. Mostly sunny skies, quite pleasant. High 81. Tonight: Cool, low 55. Tomorrow: Still plenty of sunshine & warm. High 83, low 58.

CHICAGO

Hot & humid. Hazy sunshine prevails, quite muggy. High 91. Tonight: Thunder 71. Tomorrow: Mostly cloudy, muggy, thunder. High 91, low 61.

MIAMI

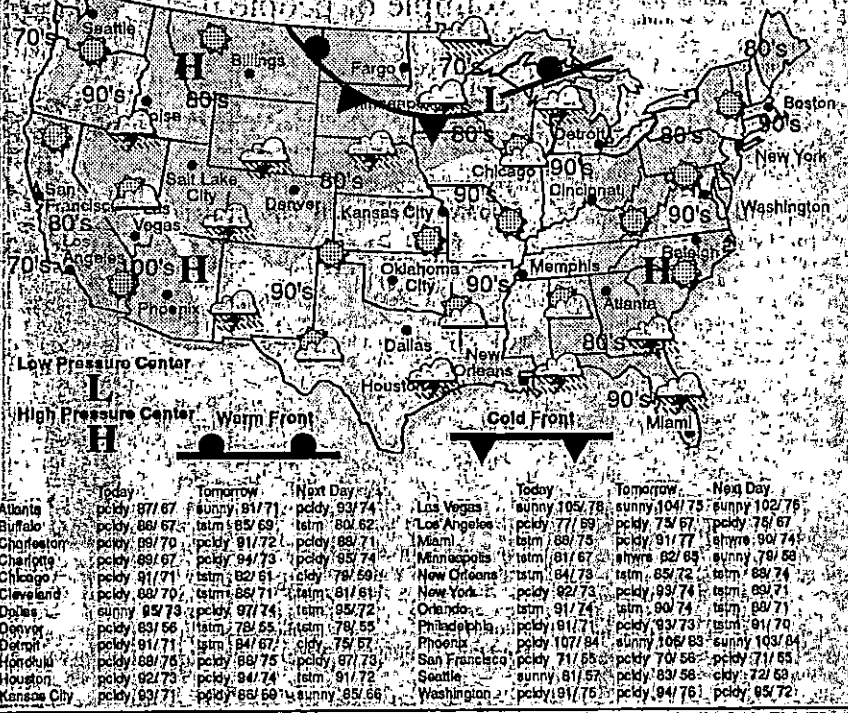
Thunderstorms. Plenty of clouds, showers & thunder. High 88. Tonight: Muggy, 75. Tomorrow: Partly sunny, thunderstorms. High 91, low 72.

ST. LOUIS

Hot & muggy. Plenty of hazy sunshine, thunder. High 91. Tonight: Warm, low 72. Tomorrow: Hazy sun, hot & humid, t-storms. High 91, low 72.

WASH D.C.

Steam heat. Hazy sunshine, hot & humid. High 91. Tonight: Muggy, low 75. Tomorrow: Sunny, skies, hazy & hot. High 94, low 76.





WALKER'S POINT
KENNEBUNKPORT, MAINE

August 16, 1991

*file
Personal*

Dear Clayt,

I read your August 12 memo containing your suggestions on the campaign. It was very helpful.

I do not plan to make any final decisions on this while I am in Maine, so if you get any further thoughts, send them my way.

In the meantime, I hope you had a good family get-together in Minnesota.

Warmest regards,

CB

No copies

*see also
9/4/91
phone call*

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Clayton Yeutter
Chairman
Republican National Committee
310 First Street, SE
Washington, D.C. 20003



Republican
National
Committee

Clayton Yeutter
Chairman

Bush Library Photocopy
George Bush Handwriting

Determined NOT to be
National Security Classified Marking
By DW (NLGB) on 3/18/13

~~CONFIDENTIAL~~

August 12, 1991

Rec'd Kipart
8/15

P

*file
personal
no copies
CJB*

MEMORANDUM FOR THE PRESIDENT

FROM: CLAYTON YEUTTER

CY

Mr. President, sorry to miss the Camp David political discussion a few days ago. Bringing that entire group together was a good idea, and I've had positive reports from Mary Matalin and some of the others who were there. Jeanne and I were hosting an 85th birthday dinner for her mother that evening, and sometimes family priorities have to outrank everything else.

This memo will be to provide my own views on the 1992 campaign team, for whatever they may be worth.

First, you do need a General Chairman. I've heard some discussion about having a troika or some similar arrangement, but that would force you to be your own General Chairman and you don't have time for that. So be sure to put someone in charge so that you can centralize responsibility.

Bob Mosbacher wants that position badly, as you know, and I believe he can handle it. Bob is a big picture person, so he won't want to immerse himself in day to day campaign operations, and that could be a weakness when troubles arise. As you know, campaigns tend to be chaotic and someone has to put out fires on a regular basis. But I believe Bob will do what he has to do, and he obviously has your own best interest at heart. He'll be good in an "oversight" role, his instincts are sound, he's a lot smarter than most people realize, and he'll be a splendid backup for Bobbie Holt on fundraising (which will be a tougher challenge than most people expect).

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Bush Presidential Library Photocopy

Page Two

(only for 5 mo.)
~~CONFIDENTIAL~~

As to the "field general," the two logical candidates would seem to be Fred Malek and Rich Bond. Fred did this job in 1972 so one wonders why he'd want to repeat that experience 20 years later--other than to position himself for a top level position in your second term. That may be sufficient motivation but a job is never quite as stimulating the second time around. Fred did do it very well the first time, and he has outstanding organizational talents. He has also mellowed over the past 20 years so his people skills are much better than they were in 1972.

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Rich has had his differences with John Sununu, so this won't work unless their chemistry improves and they can function in a cooperative and complementary way. With some decisive "guidance" from you that may be doable!

The prime candidate for the other deputy position would be Bob Teeter, who has been such an integral part of these campaigns for so long. Bob is outstanding, and I'd advocate having him be the principal strategist. It may be necessary to clearly delineate that role for Teeter since there are a number of other folks who also visualize themselves in key strategy roles. You'll want a strategy team, with people like Malek, Bond, Black, Lake, Ailes, Yeutter, Mosbacher, and perhaps others on it, but somebody needs to pull all that together into a coherent plan, and that person should probably be Teeter.

How much Teeter can or should do beyond strategy is more difficult to answer. Organization and administration are not Bob's forte, so someone will need to contemplate how best to structure the handling of communications and other functions that are only peripherally related to the field operations function. That could be done with a third deputy, or perhaps by building that competence under Teeter.

Once the top three or four people are selected, the rest should fall into place rather quickly. I assume we'll want to hold off any formal announcements until after the State of the Union and Budget messages, but there's no reason why the planning process cannot quietly begin. That particularly applies to the field structure.

As I indicated to you a few days ago, we are in the process of evaluating the 1988 Bush/Quayle state chairmen and their staff support. Where they've done a good job, they certainly should be given a chance to participate again if they wish. But where

they were weak, it would be wise to find a way to shift to someone else for 1992. We'll not reduce much of this to writing, but I'll be prepared to discuss individual performances with you and others on the campaign team at the appropriate time.

I also believe we should get as much value from our RNC field force as we possibly can. We have only about ten people scattered around the country in regional assignments, but I've been very favorably impressed by them. They can help lay the groundwork for all of next year's field activity if we do that carefully so as not to prematurely trigger a campaign launch under the Federal Election Commission rules. Once the Presidential campaign formally begins, we may want to shift some or all of those folks under the jurisdiction of your "field general."

Finally, we need to be concerned next year not only about liaison between the campaign organization and the RNC, which is often troublesome, but between those two entities and the White House. I'll make sure the RNC staff works amicably and cooperatively with everybody, so the critical challenge may come in the White House relationship with the other two entities. John, being a perfectionist, has a tendency to try to do too much sometimes. Brilliant as he is, things move too fast in a campaign environment for him to stay on top of everything. The White House staff needs to do its part from a policy standpoint, but its role with the campaign apparatus should be coordinative and not directive. Putting it another way, the campaign shots should be called by the campaign team.

As you know better than I, there is a lot of talent assembled for this effort on your behalf. If we have the right people in the right places, and if the team confers as frequently as needed, we'll have a lot more good days than bad days!

This is more than enough input from me, but please track me down if you'd like me to embellish on any of this.

And enjoy the vacation!

THE PRESIDENT HAS SEEN

P/saw

LIVE-IN: To care for elderly woman and do light housekeeping \$200/wk Call 407-783-6100

LIVE-IN-HOUSEKEEPER
Nice home, care for semi-invalid. Call 388-2943

LOVING PERSON: needed to keep my 2 sons. 3 days/\$100/wkly in my home. Non-smoker/641-2950

MATURE NANNY: In my home to care for 2 kids, full time M-F. ref. req. Non-smoker 737-8793

NEED FEMALE: Companion to live in & do chores in home & help take care of young senior citizen. \$100 for 5 days a wk. room & board. Must have own trans. & need references. Call 641-9974

NURSING ASST. Certified, equivalent, daysitting for elderly gentleman. Duties include medication supervision & meal preparation. Experience & references required. Orange Pk. area. Leave message on recorder. 269-8723 days or 272-9681 eves.

PART-TIME Nanny/Housekeeper: Mon-Fri. Transp. a must. References. After 7pm. 260-3991

PART TIME MAID: 3 nights week. Middle aged. Apply in person at 2359 W. 45th St. Peek-A-Boo Motel aft 4pm

PERSON: To answer phone 9 to 5 M-F. Corner Cassat & College. Own transportation. Call 387-0475

LPN
3-11 full time/part time. Cedar Hills Nursing Center. 786-7331

★ ★ ★
COME AND GROW WITH US
DOCTOR'S CENTER
Looking for Reg. X-Ray Tech. Physician's Assistant & Family Practice Physician. 757-9101

★ ★ ★

MEDICAL ASSISTANT
WITH a basic X-ray license to work in the New Faculty Clinic Inc. A multi-specialty clinic affiliated with the Univ. of Fla. Health Science Center 8:30 - 5 Mon - Fri. Full benefit package. To apply call 798-5804/EOE.

MEDICAL ASSISTANT NEED: ED - For busy Podiatrist office. Excellent benefits including profit sharing. Call 744-8212

MEDICAL ASSISTANT
For beaches clinic, full time, possible Saturdays. Starting \$5 per hour. Send resume to: TPNF 603 North Market St. Jax. FL 32202

MEDICAL OFFICE SECRETARY: Full time. Good typing skills and extensive insurance billing exp. a must. 398-2469

Medical Receptionist

WANT AD!

gram, etc. hearing & dental plans. Tuition reimbursement. Shift differential. Contact Mary Burza, DON, Brauclerc Manor, 9335 San Jose Blvd. 798-9332 EOE

525 PROFESSIONAL
DEMOCRATIC
PRESIDENTIAL
NOMINEE-1992

Challenging position working with unions, gay activists, abortion rights groups, and minorities.

Must be willing to sacrifice future political career. Must be able to withstand public ridicule and possible humiliation.

Candidate must have good character and be alive. Over 6 foot a plus. Military background will excite us. Will consider former mental patients.

Job requires extensive traveling and fund-raising responsibilities.

DESPERATE: Please fax resume to Ron Brown, Chairman, Democratic National Committee, Washington, D.C. 20500.

BIG BROTHERS/BIG SISTERS FUND RAISER

75 year old non-profit agency seeks energetic professional with fund raising experience and track record.

SOCIAL SERVICE AGENCY
Seeking applicants for a worked principal position. Salary \$1735 mo. Applicant should have Bachelor's Degree Social Services or related. Duties will include working protective and placement cases. Resumes should be to Camden County DECS, Box 68, Kingsland, Ga 31548. Deadline Mar 31. We are Equal Opportunity Employer

SOCIAL WORKER - Parttime: position to provide case work vices to pregnant women in a family home setting. Must be assertive, self-starter. MSW or social service related degree resume to P.O. Box 5616, Jacksonville, Florida 32247-5616

Staffing Coordinator
Needed for busy Nursing Age Self starter that's organized good telephone skills. Mex background pref. but not necessary. Sales experience a Good benefits and salary opportunity for the right person. Call 721-7410 ask for Sherrill

STAFF ADMINISTRATOR: For local council, needed to and organize events and administrative programs. Typing some computer skills required. Starting salary at \$15,000. resume to Box A-8640, c/o Times-Union, Jax, FL 32233

525 MANAGEMENT

GAMBLE @ 1991 THE FLORIDA TIMES-UNION

Handwritten signatures and notes:
- Large signature: *George Bush*
- Other signatures: *Paul G. Ryan*, *...*
- Notes: *...*



WALKER'S POINT
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August 16, 1991

*file
Personal*

No Copies

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WASHINGTON, D.C.

The Honorable Clayton Yeutter
Chairman
Republican National Committee
310 First Street, SE
Washington, D.C. 20003



Republican National Committee

Clayton Yeutter
Chairman

Determined NOT to be
National Security Classified Marking
By DL (NLGB) on 3/18/13

CONFIDENTIAL

August 12, 1991

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8/15*

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You know Rich Bond much better than I, so I'll not analyze the organizational and administrative capabilities that he would bring to bear in this position. My own judgment is that he would handle the field tasks very well, perhaps even better than Fred because his involvement is more recent and he knows more of the key players around the country on a person to person basis.

Rich has had his differences with John Sununu, so this won't work unless their chemistry improves and they can function in a cooperative and complementary way. With some decisive "guidance" from you that may be doable!

The prime candidate for the other deputy position would be Bob Teeter, who has been such an integral part of these campaigns for so long. Bob is outstanding, and I'd advocate having him be the principal strategist. It may be necessary to clearly delineate that role for Teeter since there are a number of other folks who also visualize themselves in key strategy roles. You'll want a strategy team, with people like Malek, Bond, Black, Lake, Ailes, Yeutter, Mosbacher, and perhaps others on it, but somebody needs to pull all that together into a coherent plan, and that person should probably be Teeter.

How much Teeter can or should do beyond strategy is more difficult to answer. Organization and administration are not Bob's forte, so someone will need to contemplate how best to structure the handling of communications and other functions that are only peripherally related to the field operations function. That could be done with a third deputy, or perhaps by building that competence under Teeter.

Once the top three or four people are selected, the rest should fall into place rather quickly. I assume we'll want to hold off any formal announcements until after the State of the Union and Budget messages, but there's no reason why the planning process cannot quietly begin. That particularly applies to the field structure.

As I indicated to you a few days ago, we are in the process of evaluating the 1988 Bush/Quayle state chairmen and their staff support. Where they've done a good job, they certainly should be given a chance to participate again if they wish. But where

they were weak, it would be wise to find a way to shift to someone else for 1992. We'll not reduce much of this to writing, but I'll be prepared to discuss individual performances with you and others on the campaign team at the appropriate time.

I also believe we should get as much value from our RNC field force as we possibly can. We have only about ten people scattered around the country in regional assignments, but I've been very favorably impressed by them. They can help lay the groundwork for all of next year's field activity if we do that carefully so as not to prematurely trigger a campaign launch under the Federal Election Commission rules. Once the Presidential campaign formally begins, we may want to shift some or all of those folks under the jurisdiction of your "field general."

Finally, we need to be concerned next year not only about liaison between the campaign organization and the RNC, which is often troublesome, but between those two entities and the White House. I'll make sure the RNC staff works amicably and cooperatively with everybody, so the critical challenge may come in the White House relationship with the other two entities. John, being a perfectionist, has a tendency to try to do too much sometimes. Brilliant as he is, things move too fast in a campaign environment for him to stay on top of everything. The White House staff needs to do its part from a policy standpoint, but its role with the campaign apparatus should be coordinative and not directive. Putting it another way, the campaign shots should be called by the campaign team.

As you know better than I, there is a lot of talent assembled for this effort on your behalf. If we have the right people in the right places, and if the team confers as frequently as needed, we'll have a lot more good days than bad days!

This is more than enough input from me, but please track me down if you'd like me to embellish on any of this.

And enjoy the vacation!

THE WHITE HOUSE

WASHINGTON

August 16, 1991
(Kennebunkport)

Dear Della:

Your letter caught up with me on vacation. I have told Brent Scowcroft that I do want to meet with our Pacific Ambassadors in December -- a chance for a great reunion.

I have blocked politics '92 out of my mind while I am here in Maine, but we did have one constructive meeting at Camp David before I left.

Regarding Punch Green, he simply wanted to come home, I am told. It's a tough post over there.

Rumors are flying fast and free. I can't say that the likes of Ann Devroy are in a "frenzy" yet, but that will come soon.

My warmest regards. Keep up the good work down there.

Sincerely, *Con Atecto*

CTB

The Honorable Della M. Newman
American Ambassador
Wellington

bcc: General Scowcroft *done*

WASHINGTON, D.C.

The Honorable Della M. Newman
American Ambassador
Post Office Box 1190
FPO San Francisco 96690-0001



EMBASSY OF THE
UNITED STATES OF AMERICA

July 31, 1991

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

Dear " GB" Sir!!!!

Lots of exciting things going on in the World. Turned on CNN this afternoon in my office, and saw you and Bar in Moscow!!! You both looked wonderful. I only wish they had more coverage. I guess tomorrow there will be better coverage of the signing ceremony and your speech. Hope it is a convenient time here. Let me tell you I was nervous while you were in Turkey - some of those folks are just not nice!! Funny to think you are safer in Moscow!!!

Last night the Gov't of N.Z. presented their new budget, which is a major overhaul of the social welfare system here. It is no longer going to be cradle to grave care for everyone - only those on the dole or unable to care for themselves. Seems to be a good start, but there are a lot of things yet to be addressed. This has been a great assignment in that there have been so many changes or activities in N.Z. ever since I arrived. Politically it was great to be here for a change of leadership within the caucus, and therefore at the top. And, to learn about the makeup, candidate selection process, making of legislation, etc. All of that.

Mel Sembler is all excited about your trip to Australia - and rightly so, maybe someday N.Z. Which I understand is what you told the fly fishing calendar man. He shared that with the whole town of Rotorua, including his M.P. who is also the Attorney General of N.Z., Paul East. Everyone loved it!!! We, Chiefs of Mission, have now been advised that the C.O.M. conference will also be in Honolulu commencing on 12/8 - of course we will all want to be there for the 7th. Just depends on what hotel they get for all the housing. Too bad we can't have the Hawaiian Hilton, I think Bill Black had a hand in getting those fine accommodations last October. Your whole protocol staff has been revised, I understand. But then, so have many of your Ambassadors. What happened with Punch Green? He made a speech in Seattle to the Univ. Club, and told them he couldn't deal with the ~~bureaucrasy~~ - - must be more to it than that.
bureaucracy

Several of my pals send me political news, and we get the Seattle Sunday newspapers as well - even tho they are 10-14 days old, it's still news from home. Must keep up with things. I found the article from the legi slate fun!! Someone will let me know what is happening.

Wells is feeling great, recovered from the pneumonia, and all the other little bugs. He has sent all his papers in for consideration by legal, et al, and now his waiting begins. All our family is well, hopefully, Gretchen and the two granddaughters will be out for Xmas this year. That will be fun to show them the country a bit. Steve is still debating whether or not he can come, cause that is his busiest time of year for the shop (barber you know). We'll see!!

(over)

We are still doing quite a bit of travelling in New Zealand, and it is most enjoyable. Last week we were in Christchurch for a couple of days and went out from there to a little town called Rakaia. They are on the Rakaia River, and have some of the best salmon fishing in N.Z. Too cold just now, but it is someplace I will have to return to in the summer or spring. Did a speaking engagement for the Lions Club - ladies night. About 100 folks of every age, mostly farmers from all around the area (Rakaia only has a population of about 900) It was great. Very friendly and supportive people.

Guess I had better get back to work now, just wanted to say hi! and let you know we think of you often. You are the best ever - just as I knew you would be. Keep up the great work - but take care of yourselves too. You both looked so wonderful this afternoon, it made me feel good just seeing you.

You might want to go to Honolulu from Australia -and then you could invite me to come over and fly to Hawaii with you!! Just a thought. I hope your schedule does allow you to say hello to all your East Asia Pacific Amb.s though, since we will be there so close to your time in the city.

Please say hello to all your staff, those that I know. And, if any are coming this way on vacation, let me know. Dick Solomon arrives this Sunday, and I believe that will be a useful meeting.

Great news about Peter Watson, by the way. He is a fine fellow.

Love and stuff,



The W. C. A.

dn

Bush Aides Have Script For '92 Race
Republicans Await White House Word

By Ann Devroy
Washington Post Staff Writer

Dr
→ AmB

According to Republicans glued to their phones across Washington, it is an absolute fact that Commerce Secretary Robert A. Mosbacher will leave his post within weeks to become the first formal leader of President Bush's reelection campaign.

This will be followed, they say, by strategist Robert Teeter leaving his home base in Michigan and businessman Fred Malek leaving his plush offices on Pennsylvania Avenue to join forces in September to be the other two members of the outside reelection troika.

The three, of course, will have to deal with White House Chief of Staff John H. Sununu, who will be the inside-the-White House campaign czar. And all of them have already quietly signed on the legions of other players who will be poised to spring into action following a secret August strategy session with the vacationing president in Kennebunkport.

The scenario has just one problem. The three are saying Bush has not asked them to do anything yet. Not even to come to Kennebunkport for the top-secret

meeting that every Republican in Washington seems to know about.

No matter.

If this is the season for the Democrats to scramble for candidates and messages, it is also the season for the Republican campaign-in-waiting to wait. And speculate. Across Washington and through the country, Republicans who want to run a state for Bush, make an ad, prepare a briefing paper, take a poll, build an organization, raise some money or just be seen as an adviser are calling others like themselves to find out when Bush will send out the word the time is right.

Sununu has prepared for Bush a document outlining the time line under which former President Ronald Reagan operated in 1983-84 when he was an incumbent. Sununu's report covers the primary calendar in 1992 and touches on other key dates.

The document suggests that by October, a legal campaign entity will be needed to deal with filing deadlines, applications for federal funds and other logistics of a campaign. Aides have suggested that decisions on personnel must be made by Labor Day. Some have suggested a political strategy session in August. "A lot of us think it would be a good idea," said one GOP source, "but there's no word whether the president does."

Like Reagan, who had no opposition for renomination in the primary, Bush is likely to follow the later-rather-than-sooner school of incumbency. Bush "tends to believe that an aggressive political campaign is not in his best political interests until later," one GOP source said.

Under the expected time line, a skeletal campaign apparatus would be put in place by October and Bush would formally announce his bid after the State of the Union address in January. That gives him two nationally televised chances in a month to explain how well the country has fared and presumably would continue to fare under his stewardship.

Presidents do not need a campaign the way mere candidates do. They have the Rose Garden, Air Force One, Moscow summits, legions of political and policy strategists, vice presidents to do heavy political lifting and a guaranteed spot at the top of the news if they choose to say something. For that reason, Bush, like other incumbents, hopes not to descend to the level of candidate until as late as possible.

His aides insist that Bush actively discourages discussions of his reelection, but those who know him well have always described a man avidly interested in both the sport and the minutiae of politics. While Reagan let "the boys," as he called them, plan the timing, details, events and many of the themes of his campaigns, no one suggests Bush will delegate much of his campaign.

Richard Wirthlin, Reagan's pollster, offered a glimpse of the extent of Bush's political interests during an interview at the end of the 1984 campaign. Reagan wanted a general update on how he was doing, Wirthlin said, but Bush, the incumbent vice president, wanted all the numbers, the voluminous computer printouts of polling data Wirthlin kept in huge binders that Bush liked to read in detail.

Bush now likes to suggest he never pays attention to polls or the grubby details of politics, but the evidence is otherwise. It also suggests that by Labor Day, he'll be ready.

all the rumors!

THE WHITE HOUSE

WASHINGTON

August 16, 1991
(Kennebunkport)

Dear Della:

Your letter caught up with me on vacation. I have told Brent Scowcroft that I do want to meet with our Pacific Ambassadors in December -- a chance for a great reunion.

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My warmest regards. Keep up the good work down there.

Sincerely,

Con Alecto
CTB

The Honorable Della M. Newman
American Ambassador
Wellington

WASHINGTON, D.C.

The Honorable Della M. Newman
American Ambassador
Post Office Box 1190
FPO San Francisco 96690-0001

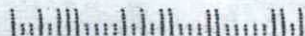
Ambassador Della Newman
American Embassy
PSC 467, BOX 1
FPO AP 96531-1001



Mrs. Patty Pressock
Office of the President
The White House
Washington, D. C. 20500

P E R S O N A L

AMERICAN EMBASSY
P.O. Box 1190, Wellington
• New Zealand



THE WHITE HOUSE
WASHINGTON

MEMORANDUM

TO: Dorrance Smith
FROM: KATHY SUPER *M*
SUBJECT: APPROVED PRESIDENTIAL ACTIVITY
EVENT: Local press conference with Maine journalists
DATE: Friday, August 16, 1991

TIME: 8:45 a.m. - Staff Time
9:00 a.m. - Press Conference
DURATION: 15 minutes - Staff Time
30 minutes - Press Conference

LOCATION: Kennebunkport, Maine

ATTIRE: Business Suit

REMARKS REQUIRED: Talking Points provided by Media Affairs

MEDIA COVERAGE: Open to local media and White House press pool

FIRST LADY PARTICIPATION: No

ADDITIONAL INFORMATION:

CONTACT:

TELEPHONE:

NOTE: PROJECT OFFICER, SEE ATTACHED CHECKLIST

Ed Rogers
Phil Brady
Fred McClure
Susan Porter Rose
Patty Presock
Dorrance Smith
Laurie Firestone
Paul Bateman
Debra Romash
Richard Trefry
Gregg Petersmeyer

Marlin Fitzwater
David Demarest
Fran Norris
Sig Rogich
Jay Parmer
Bill Farish
C. Boyden Gray
Laura Melillo
John Herrick
Ron Kaufman
Rose Zamaria

Ede Holiday
David Valdez
USSS-PPD
Gary Walters
WHCA Audio/Visual
WHCA Operations
William Kristol
Jackie Kennedy
Deb Anderson
Tony Snow

THE PRESIDENT HAS SEEN

August 16, 1991

Mr. President,

Patty had one message to pass along when I spoke with her this morning in the office (she sounded some better and said she felt better).

Saddrudin Aga Khan called her today to say that he wants to visit with you -- one-on-one, NO ONE ELSE -- about a personal matter of some importance. He will meet with you anytime, anyplace; will come quietly to K'port or D.C. (even under another name, Patty said). (Very mysterious.) Sadri wants to meet with you sometime between August 30-Sept. 4. Also told Patty he wants some "friendly, personal advice," and would appreciate about 1/2 hour of time.

Patty thought you might like to call him first to see you if you glean further info. Signal has his phone number.

1c

5:00-
6:30
cocktails
Sept. 3

pending

Tuesday / *September* — 1991

pick sadruddin aga khan up at 4 seasons

5 p.m.

12:00 noon EDT UPDATE

UNEMPLOYMENT/PRESIDENT (Kennebunkport/Thomas Ferraro, UPI) -- Vowing not to break the deficit-cutting budget agreement, President Bush said he will not issue an emergency declaration needed to fund a \$5.3 billion proposal to expand jobless benefits. At a news conference, Bush said he believes the economy is on the mend and new jobs will be created for the unemployed.... "I won't bust the budget," Bush said, adding that he would probably sign the bill, but will not grant the authority needed to fund it.... "Congress should re-pass this legislation in September and in a form that requires the President to veto it if he persists in refusing to recognize this continuing emergency," Sen. Kennedy said. "I believe Congress would override that veto." "Maybe the President knows something that 8.5 million Americans don't -- where to find a job," said Keith Brooks, a coordinator for the New York Unemployed Committee.

(Kennebunkport/Rita Beamish, AP) -- ...President Bush cited as "encouraging signs" various economic indicators showing the recession is ending, despite new figures released Thursday showing that 8,000 more Americans applied for unemployment benefits in the week ending Aug. 3 than the week before.... Bush said...that he believed the workers deserve the new benefits, and that he would sign the bill because, although meaningless without the emergency declaration, it "demonstrates that I am concerned in terms of economic benefits."... Demonstrators...planned to march near Bush's house to protest his position on the jobless benefits.

TRADE DEFICIT (AP) -- The merchandise trade deficit shrank 16 percent in June to \$4.0 billion, its lowest level in eight years, the Commerce Department said, that both imports and exports fell.

INDUSTRIAL PRODUCTION (AP) -- Industrial production, boosted by automobile output, rose 0.5 percent in July, the government said. It was the fourth consecutive advance and the newest evidence the economy continues to climb out of the recession.

HOSTAGES/FADLALLAH (Beirut/Reuter) -- Hezbollah mentor Sheik Fadlallah said he feared the U.S. wanted to block a U.N.-mediated exchange of Western hostages in Lebanon for Arab prisoners held by Israel. Sheik Fadlallah said in a sermon at a Beirut mosque that "the ball is now in the United States' court," as Washington had to pressure Israel to free its Arab detainees.... "We think according to the American statements that they do not want to exert pressure on Israel to release the captives it holds," he said.... "What attracts our attention...is that the U.S. President said he understands the Israeli stand in getting back its soldiers and therefore he understands its refusal to release the detainees."

HOSTAGES/PEREZ DE CUELLAR (Lucerne, Switzerland/Reuter) -- Perez de Cuellar said nothing substantial was blocking settlement of the hostage crisis and he hoped progress would be quick. "I have all reasons to believe that something may happen in a matter of weeks, but I cannot give any assurances. But I am very, very hopeful," he told reporters. Asked what was hindering a solution, he replied: "Nothing. I think we have to go into details (with the parties involved) about the deal we are discussing."

-more-

HOSTAGES/ISMLAMI (Beirut/Reuter) -- The chief pro-Iranian kidnapper of Western hostages in Lebanon is back in Beirut to direct his followers in the crisis, fundamentalist and security sources said. They said Imad Moughneyeh, a founder of the underground Islamic Jihad..., passed on the "wishes" of Iran's leaders to the kidnappers to free two hostages and told his men on contacts to secure a swap of their captives for Arabs jailed by Israel.

HOSTAGES/IRAN (Bonn/Reuter) -- Iran's ambassador to Germany said Bonn's refusal to swap jailed Lebanese guerrillas for Germans hostages in Lebanon was not blocking an international hostage deal, but he again urged Bonn to consider pardoning them.... "The main obstacle is Israel. We believe Israel has delayed the release process with all the conditions it has made the whole time," said Ambassador Mousavian.

MIAs/KERRY (Bangkok/AP) -- Sen. Kerry said lifting the economic embargo against Vietnam would help solve MIA cases.... He said he opposed U.S. normalization of ties with Vietnam before any significant movement on MIAs. But he said the issue "would be greatly furthered...if the United States would lift the embargo, at least partially."

(Bangkok/UPI) -- ...Sen. Kerry called the embargo policy "a silly, silly approach" and said he would push for an early debate in the Senate on a resolution to lift the embargo.

(Bangkok/Reuter) -- Americans with relatives still missing in action from the war in Vietnam should visit the country themselves to help open the search process, Sen. Kerry said. He said a better information flow was vital...to overcome the "extraordinary credibility gap" between U.S. people and government over the issue.

AIDS CONFERENCE (Boston/Reuter) -- Harvard University organizers of an International AIDS Conference scheduled for Boston next year said it would be moved outside the U.S. because of U.S. entry restrictions on people who carry the AIDS virus.

TURKEY/CYPRUS (Nicosia/Reuter) -- Turkish Foreign Minister Giray dampened hopes for an international conference on Cyprus next month, saying no partnership could be established unless there was trust between the island's two communities.

ARMENIA/SOLDIERS (Moscow/Reuter) -- Armenian rebels freed three captured Soviet soldiers but were still holding 38 others, Tass reported.

CLEAN GAS PACT (UPI) -- In an unprecedented move to fight smog, environmentalists and oil firms have reached an agreement to clean up by 1995 the gasoline sold in cities hard-hit by pollution, federal officials said Friday.

POOL REPORT #18

GOLF OUTING ENDS...FOR TODAY

KENNEBUNKPORT, MAINE

FRIDAY, AUGUST 16, 1991

By the 18th hole, Cape Arundel Pro Ken Raynor had replaced Craig Stapleton in the foursome.

Seasoned golfers said the President's drive was a good one; his chip improved from previous outings and his putt, using the Polecat, long but under control.

As is his custom, he never actually put the ball into the hole and we presume -- but only presume -- he took a four on this last hole.

We lost track of time, but know that he played the round in slightly over two hours, arriving back at Walker's Point at 3:25 p.m.

For those reporters who have asked about the tattoo mentioned in Pool Report #17: The child is Emmett Nelson, seven-and-one-half, the tattoo is on the left forearm and features a skull wearing a hat and smoking a cigarette.

Ellen Warren
Knight-Ridder Newspapers

Note from the Press Office: The President's plans this afternoon and evening include tennis and dinner on the Point.

#

POOL REPORT #17

MORE GOLF

KENNEBUNKPORT, MAINE

FRIDAY, AUGUST 16, 1991

Bush spoke to the pool at the Cape Arundel Golf Club clubhouse, clarifying his remarks on Mrs. Bush's miserable golf game and responding to questions on AIDS policy, politics and convicted Israeli spy Jonathan Pollard.

Following is a near transcription of his remarks on the above topics.

AIDS:

Reacting to the news that Harvard University has canceled next Spring's worldwide AIDS conference to protest a U.S. immigration band on people infected with AIDS, the President responded, "I understand they might have canceled at Harvard which is too bad. We're doing more on research, obviously, on AIDS, than any other country. We're spending \$4 billion a year on AIDS research and our scientists are by far the most prestigious and most forward-looking in the research department. But, they'll find other ways to get together, so it doesn't bother me."

Asked if he was rethinking the U.S. immigration policy on those infected with AIDS, Bush replied, "That policy is a good, sound policy. The American people, I think, are supportive of it. So we'll continue to lead in AIDS research. We'll continue to be compassionate. We'll continue to urge for behavioral changes. We will continue to treat AIDS as a health problem. Those are the three formulations that I think are best...progress is being made. I had a chance to have lunch with my friend, Dr. Tony Fauci of NIH, awhile back. There's reason to be optimistic."

Pollard:

Your pool was only vaguely familiar with this issue, but apparently convicted spy Jonathan Pollard's lawyer has sought his client's release in some sort of a hostage-swap deal. Asked if he was considering such a release, Bush replied, "There's no such consideration. This spy was convicted...you're mixing apples and oranges...tried in the U.S. courts and found guilty and so nobody's considering him a hostage...facing criminal charges and found under due process to be guilty...."

Asked if the Israelis had asked for Pollard's release, Bush replied, "No, they have not asked me to do that."

Politics:

The President was asked if he were taking "secret delight" at the Democrats' "disarray."

He replied, "I don't consider them in disarray. They're attacking me all the time." "It's just terrible," he said, in a mock-wounded tone. "They've gotten together under the leadership of Ron Brown and Pamela Harriman...what the heck, what can a guy do?"

Barbara Golf:

At the clubhouse, the pool had first descended on the First Lady to query her about Bush's remarks yesterday about her golf game, but she quickly leapt to her husband's defense asserting, "You were very unfair to him. He was quoting me (on how lousy her golf game was). Those who were here said he was quoting me."

Asked if indeed she had believed that her golf game was rotten, she replied, "Absolutely, a disaster. When the pro calls and says, 'How about coming out and having a lesson?' which I've just done, you know you're in big trouble."

Asked if she was going to play with her husband today, she replied, "I don't play with him. I only played with him one day. I got a wonderful drive off the first tee and none of you saw it. And you announced that I hadn't hit it and that hurt my feelings. I only played with him one day."

With her son George, Jr. standing at her side, Mrs. Bush responded to a reporter's observation that he thought she had taken up golf to spend more time with her husband.

"Ahhhhhh, wouldn't that be sweet," George, Jr. said sarcastically. Said Mrs. Bush, "No, I did it to spend time with my boy!"

At this point, Bush emerged from the clubhouse to say, "I'm glad you cleared that up. There was some misunderstanding here. Is that all clear for you now what it was? It wasn't a vicious assault on my wife," he said.

Pointing to the boom microphones, he said, "These things might not always tell the truth," adding facetiously, "I can't wait to get back hand-in-hand down the fairway with my wife Barb." He was trying hard to use the word Barb, a name he never calls his wife. As for her intentions of walking down the fairway of life with George Bush, Mrs. Bush replied, "Never again," when asked if she would play with her spouse.

Today's foursome consisted of the President, his son George, Texas Rangers President Tom Schiefer, and Bush pal Craig Stapleton. The President wore a green knit shirt, red cap, saddle shoes, Navy blue socks, and khaki pants.

In the cruel gest department, George, Jr., examining the temporary tattoo of your pooler's seven-year-old son, remarked, "I like your tattoo, it reminds me of your mother."

Ellen Warren
Knight-Ridder Newspapers

#

POOL REPORT #16

BUSH NEWS CONFERENCE WITH LOCAL PRESS AT THE POINT

KENNEBUNKPORT, MAINE

FRIDAY, AUGUST 16, 1991

Transcript will follow. Bush said he planned "to do what has been expected" and sign the unemployment bill will not declare a budgetary emergency, which is required to activate the benefits extension provision. "I will not declare it an emergency. I won't bust the budget," Bush said.

He said he was sympathetic to the problems of the unemployed, but repeated again that the way to cure the nation's economic woes is to keep the government from "recklessly spending money." "Yes we're going through some tough economic times, but it is my view we're coming out of a recession," he said.

He called again for passage of a Capital Gains tax cut as one way of improving the economy and helping to create new jobs. Mentioning Mario Cuomo Bush said: "When you hear Gov. Cuomo talking about capital gains, you have to wonder what's going on. But I'm glad he is," Bush said, making his point that some Democrats support a capital gains cut as well.

On the hostages, nothing new to report, he said, still expressing support for Perez de Cuellar's efforts. "I'm on kind of a hostage question du jour up here," Bush said, when asked if he had anything to report on the situation. "I might add to those who haven't been subjected to my answer du jour that there's a cruelty to all this."

On other issues, Bush again defended his new wetlands policy and view on environmental issues in general, saying that he wants to strike a balance between environmental concerns and economic growth. "But if I have to err," he said, "I will err the side of employment."

On wetlands, he said: "We're not going to let the extremes dictate."

The president also took advantage of the news conference to rail against Democratic charges that he has no domestic agenda, saying that they have apparently settled on that theme for 1992 campaign. He repeated his contention that he has a "good" domestic agenda and said it would be much stronger if the voters would just put more politicians like him in Congress. His problem, he said, is "I'm up against the same Democratic crowd that's controlled the Congress for years." He complained that "the programs we send up just lie dormant while they try their own ideas out." He added that "the veto is the only tool a president has to keep bad things from happening" when the Democrats send down a bill he doesn't like.

Asked whether the president had any thought on why the Dems are slow in gearing up for the campaign, Bush replied "No." (long pause, another similar question. "It means one thing to me -- no overconfidence. They'll get their act together." Then he tried to beg off any other questions, saying he'd be "retaliating at the proper time" against Democratic charges.

"I'm enjoying relaxing here," he said, smiling.

Asked who his toughest opponent would be, Bush said: "I must tell you I do have my ideas on that." But he refused to answer.

On the how his presence here affects Kennebunkport, Bush said he worries about "inconveniencing people" with his motorcades, and running around. But what bothers him the most is that his presence draws demonstrators sometimes, apparently a reference to this afternoon's talk of an unemployment bill protest.

DATE 11-14-2001 BY 60322 UCBAW/STP

THIS DOCUMENT CONTAINS INFORMATION FROM THE

CONFIDENTIALITY ACT

"I don't like it that people choose to exercise their first amendment rights by demonstrating in this small town," he said. He cited ACT UP protests of the past specifically, saying they are the worst. "I recognize that I'm the magnet that draws them here." Then he stressed the importance of protecting and guaranteeing a person's first amendment rights, but bemoaned the fact that "there's always some idiot that jumps up in the middle" of speech or an event he's at and begins shouting. Then he cautioned against "excess" in demonstrations, saying that it out to be carried out within the law, whether it's at an abortion clinic, about AIDS or anything else.

The conference took place at usual location, outside small office on grounds, Bush at microphone. He seemed relaxed and emphasized that he was "unashamedly, unabashedly on vacation." Was dressed in light brown herringbone jacket, cream-colored long sleeve shirt, tan slacks, and those cream lace up walking shoes that he says are coming back in style.

Mrs. Bush and son, George and his wife and Laura, watched from the driveway as they leaned on the hood of blue cadillac. Mrs. Bush in that big straw hat, pink blouse, white slacks, and mismatched Ked sneakers. White on pink (left foot) and a print or flowered one on the other. She also held some gardening sheers, but did not appear to have been laboring away in a flower bed somewhere. After the conference, Bush went fishing. Word on what he's doing later to come from press office.

McDonald.
Houston Chronicle

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