

Originally Processed With FOIA(s):
2009-0166-S

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FOIA MARKER

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

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

OA/ID Number: 90638
Folder ID Number: 90638-001

Folder Title:
Wednesday, December 4, 1991

Stack:	Row:	Section:	Shelf:	Position:
V	0	0	0	0



SCHEDULE OF THE PRESIDENT

Wednesday, December 4, 1991

8:00 am (15 min)	<u>Intelligence Briefing</u> (Scowcroft/Sununu)	Oval Office
8:15 am (30 min)	<u>National Security Briefing</u> (Scowcroft/Sununu)	Oval Office
8:45 am (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
9:15 am (30 min)	<u>Domestic Update</u> (Sununu)	Oval Office
9:45 am (75 min)	<u>Administrative Time</u>	Oval Office
11:00 am (45 min)	<u>Personal Staff Time</u> <i>Bob Teller</i>	Oval Office
11:45 am (45 min)	<u>Lunch</u> (<i>Mosbacher</i>)	Oval Office
12:30 pm	The President departs to Address the American Enterprise Institute Annual Policy Confer- ence at the Willard Hotel (Demarest)	South Lawn <i>. JEN</i>
		(TAB A)
1:25 pm	<u>Arrives White House</u>	South Lawn
1:30 pm (30 min)	<u>Meeting with Secretary Baker</u>	Oval Office
2:00 pm (30 min)	<u>Personal Staff Time</u>	Oval Office
2:30 pm (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
3:00 pm (2 hrs)	<u>Administrative Time</u>	Oval Office

10:30
Marlin

UNP 12/03/91
5:00 pm

7:25 POTUS IN
 7:54 SUMNU IN
 8:03 Gates, Peters IN
 8:05 SUMNU IN / 8:07 SCARCROFT IN
 8:45 FITZWATER IN
 9:00 FITZWATER OUT
 9:05 SUMNU OUT
 9:06 Card, Gray IN
 9:13 Card, Gray OUT
 9:16 FITZWATER, DARNAN, CARD IN
 9:18 SUMNU IN
 9:50 Card, DARNAN, FITZWATER, SUMNU OUT
 9:52 SCARCROFT IN
 9:54 SCARCROFT OUT
 9:55 Bob Teller IN
~~XXXXXXXXXXXXXXXXXXXX~~
 11:35 FITZWATER IN
 11:40 MOSBACHER IN
 11:41 FITZWATER OUT
 12:26 FITZWATER IN
 12:31 FITZWATER OUT / All Out
 12:32 POTUS OUT to South Grounds
 1:14 POTUS Arrives
 1:20 POTUS, SCARCROFT IN
 1:25 SCARCROFT OUT
 1:28 SEC. MOSBACHER, FITZWATER
 Bob Teller IN
 1:29 SEC. BAKER IN
 1:30 SCARCROFT IN
 1:32 SUMNU IN
 1:37 FITZWATER, MOSBACHER, Teller OUT
 2:18 SUMNU, SEC. BAKER OUT
 2:20 SCARCROFT OUT
 2:25 SUMNU IN
 2:52 SUMNU OUT
 3:11 DEMAREST OUT
 3:15 LAURE FIRESTONE IN
 3:35 FIRESTONE OUT
 3:38 FITZWATER IN
 3:47 FITZWATER OUT
 3:48 POTUS OUT to South Grounds
 5:00 POTUS IN
 5:20 POTUS OUT to Residence

"See Tab A"
 →

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 4 December 1991

TIME	MOVEMENTS
0716	Doctor's Office
0724	Oval Office
1230	South Grounds
1232	Depart South Grounds via Motorcade
1235	Arrive Willard Hotel
1315	Depart Willard Hotel via Motorcade
1319	Arrive South Grounds
1320	Oval Office
1559	South Grounds
1708	Oval Office
1727	Residence
2049	South Grounds
2055	Residence

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. Log	White House Telephone Log [President Bush] [redaction of personal information] (4 pp.)	12/04/91	(b)(6)	
01b. Note	Handwritten notes of Presidential Phone Calls with Guy Molinari Re: Chief of Staff position [redaction] (1 pp.)	12/04/91	(b)(6)	
01c. Note	Handwritten notes of Presidential Phone Calls with D. Quayle Re: J. Sununu [redaction] (1 pp.)	12/04/[91]	(b)(6)	
02. Note	Handwritten notes of various issues (1 pp.)	12/04/[91]	(b)(1)	
03. Memo	From Brent Scowcroft to President Bush (1 pp.)	11/30/91	(b)(1)	S
04. Memo	From James A. Baker, III to President Bush (1 pp.)	12/03/91	(b)(1)	C
05. Memo	From Bruce O. Riedel to Robin A. Maclean and Florence E. Gantt (1 pp.)	11/27/91	(b)(1)	S
06. Note	From [George Bush] to RZ [Rose Zamaria]/Patty [Presock] Re: meeting with Teeter [redaction of personal information] (1 pp.)	n.d.	(b)(6)	
07. Letter	From George Bush to Senator John Chafee Re: their telephone call [redaction] (1 pp.)	12/04/91	(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: Wednesday, December 4, 1991

Pinksheet Number: dw2390

OA/ID Number: 90638-001

Date Closed: 3/11/2014

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01a. Log	White House Telephone Log [President Bush] [redaction of personal information] (4 pp.)	12/04/91	(b)(6)	

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Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 4, 1991

Date Closed: 3/11/2014	OA/ID Number: 90638-001
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 4th, 1991

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	6:05 AM	6:06	SITUATION ROOM OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 659	TLKD-OK WITH MR. DENNIS CHENEY 6:06 A.M.
~~INC~~	~~XX~~ PM			
OUT	AM			
~~INC~~	~~XX~~ PM			
OUT	6:21 AM	6:35	THE VICE PRESIDENT RES: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 408	TLKD-OK 6:21 A.M.
~~INC~~	~~XX~~ PM			
OUT	AM			
~~INC~~	~~XX~~ PM			
OUT	7:21 AM	7:23	MRS. BARBARA BUSH RES: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 543	TLKD-OK 7:22 A.M.
~~INC~~	~~XX~~ PM			
OUT	AM			
~~INC~~	~~XX~~ PM			
OUT	7:33 AM	7:40	MR. GEORGE W. BUSH (b)(6)	TLKD-OK 7:34 A.M.
~~INC~~	~~XX~~ PM			
OUT	AM			
~~INC~~	~~XX~~ PM			
OUT	7:44 AM	7:53	MR. GUY MOLINARI (b)(6)	TLKD-OK 7:45 A.M.
~~INC~~	~~XX~~ PM			
OUT	AM			
~~INC~~	~~XX~~ PM			
OUT	11:57 AM		MR. JERRY WEINTRAUB (b)(6)	TLKD WITH MRS. PATRICIA A. PRESOCK
~~INC~~	~~XX~~ PM			

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 4th, 19⁹¹

	TIME		DISC	NAME	ACTION
	PLACED				
OUT		~~AM~~		SECRETARY ROBERT A. MOSBACHER OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 434	TLKD-OK 2:18 P.M.
~~INC~~	2:17	PM	2:21		
OUT		AM			
INC		PM			
OUT		~~AM~~		MR. C. BOYDEN GRAY OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 764	TLKD-OK 2:25 P.M.
~~INC~~	2:21	PM	2:27		
OUT		AM			
INC		PM			
OUT		~~AM~~		MR. PRESCOTT BUSH (b)(6)	LW ANSWERING MACHINE TOLD MRS. ROSE M. ZAMARIA 3:48 P.M.
~~INC~~	3:44	PM			
OUT		AM			
INC		PM			
~~OUT~~		~~AM~~		MR. MAX MARLIN FITZWATER WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 500	TLKD-OK 4:09 P.M.
INC	4:09	PM	4:10		
OUT		AM			
INC		PM			
~~OUT~~		~~AM~~		MR. JOHN BUSH (b)(6)	TLKD-OK 4:32 P.M.
INC	4:31	PM	4:41		
OUT		AM			
INC		PM			
OUT		~~AM~~		MR. MAX MARLIN FITZWATER OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 700	TLKD-OK 4:45 P.M.
~~INC~~	4:45	PM	4:47		

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 4 th , 19⁹¹

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	~~AM~~		GENERAL BRENT SCOWCROFT OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 653	TLKD-OK 4:47 P.M.
~~XINC~~	4:45 PM	4:48		
OUT	AM			
INC	PM			
OUT	~~AM~~		USHER'S OFFICE OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 780	TLKD-OK WITH MR. GARY J. WALTERS 5:22 P.M.
~~XINC~~	5:22 PM	5:22		
OUT	AM			
INC	PM			
OUT	~~AM~~		MR. GARY J. WALTERS OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 780	MS. BRIDGET M. MONTAGNE SPOKE WITH MR. CHRISTOPHER B.
~~XINC~~	5:23 PM			
OUT	AM			EMERY 5:27 P.M.
INC	PM			
~~OUT~~	~~AM~~		SECRETARY ROBERT A. MOSBACHER OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 434	TLKD WITH MRS. PATRICIA A. PRESOCK 5:38 P.M.
INC	5:37 PM			
OUT	AM			
INC	PM			
~~XOUT~~	~~AM~~		MR. JERRY WEINTRAUB (b)(6)	TLKD WITH MRS. PATRICIA A. PRESOCK 5:50 P.M.
INC	5:49 PM			
OUT	AM			
INC	PM			
OUT	~~AM~~		SECRETARY ROBERT A. MOSBACHER OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 434	TLKD-OK 5:56 P.M.
~~XINC~~	5:56 PM	6:01		

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 4 th 91
_____, 19__

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	AM		USHER'S OFFICE	TLKD-OK WITH MR.
INC	6:18 PM	6:18	OFC: WASHINGTON, D.C.	DENNIS W. FREEMEYER
OUT	AM		WHITE HOUSE ADMIN. EXT. 780	6:18 P.M.
INC	PM			
OUT	AM		AMBASSADOR FREDERIC V. MALEK	
INC	6:42 PM		OFC: WASHINGTON, D.C.	PRESUS CA 6:45 P.M.
OUT	AM		202-347-2626	
INC	PM			
OUT	AM		MR. CHARLES R. BLACK	
INC	6:47 PM	6:55	OFC: ALEXANDRIA, VA.	TLKD-OK 6:51 P.M.
OUT	AM		703-683-6612	
INC	PM			
OUT	AM		MR. PRESCOTT BUSH	
INC	7:31 PM	7:38	(b)(6)	TLKD-OK 7:32 P.M.
OUT	AM			
INC	PM			
OUT	XAM		AMBASSADOR FREDERICK ZEDER	
INC	7:43 PM	7:49	(b)(6)	TLKD-OK 7:48 P.M.
OUT	AM			
INC	PM			
OUT	XAM		SECRETARY JAMES A. BAKER III.	
INC	8:16 PM	8:24	(b)(6)	TLKD-OK 8:18 P.M.

WASHINGTON

PRESIDENT BUSH

91

19.

[illegible]

THE WHITE HOUSE

WASHINGTON

TELEPHONE MEMORANDUM

SIGNAL SWITCHBOARD

December 4, 1991

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	8:49 AM	8:52	Mr. Ludwig B. Miosi White House Situation Room 395-6313	Tlkd-ok 8:49 AM
INC	PM			
OUT	10:59 AM	11:03	Secretary James A. Baker III Office, Washington, D.C. State Dept x5200	Tlkd-ok 11:01 AM via Secure Voice
INC	PM			
OUT	AM		Mr. Ludwig B. Miosi White House Situation Room	Tlkd-ok 1:20 PM
INC	1:20 PM	1:21	White House Signal 7-2262	
OUT	AM		Mr. Joseph Ciccippio Wiesbaden Regional Medical Center Wiesbaden, Germany	Tlkd-ok 2:29 PM
INC	2:29 PM	2:31	885-470	
OUT	AM		Conference Call: Mr. Alann B. Steen	Tlkd-ok 2:58 PM
INC	2:58 PM	3:06	Wiesbaden Regional Medical Center	
OUT	AM		Wiesbaden, Germany 82-112	
INC	PM			
OUT	AM		Mr. Cornelius F. O'Leary White House Situation Room	
INC	PM		White House Signal 7-2264	
OUT	AM		Conference Call: Mrs. Peggy Say	Tlkd-ok 4:04 PM
INC	4:03 PM	4:08	Amelia Earhart Hotel	
OUT	AM		Wiesbaden, Germany 816-652	
INC	PM			
OUT	AM		Mr. Cornelius F. O'Leary White House Situation Room	
INC	PM		White House Signal 7-2264	
OUT	AM		Conference Call: Mr. Terry Anderson	Tlkd-ok 4:41 PM
INC	4:39 PM	4:44	Ambassador	

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01b. Note	Handwritten notes of Presidential Phone Calls with Guy Molinari Re: Chief of Staff position [redaction] (1 pp.)	12/04/91	(b)(6)	

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Series: Daily Files
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WHORM Cat.:
File Location: Wednesday, December 4, 1991

Date Closed: 3/11/2014 **OA/ID Number:** 90638-001

FOIA/SYS Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

Appeal Case #:

Appeal Disposition:

Disposition Date:

AR Case #:

AR Disposition:

AR Disposition Date:

MR Case #:

MR Disposition:

MR Disposition Date:

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Presidential Phone Calls



DATE:

12-4-91

TIME:

8:12

incoming/outgoing

WITH:

Guy Molinari

SUBJECT:

718-390-5100

MC's = Guy checked with in
good portion of problem
resolved yesterday - JS leaving

Dick Armitage - couldn't
convey my message privately
so had to go public
frustrated ---

FOLLOW UP:

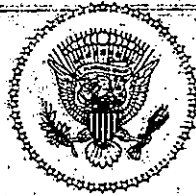
some suggested like to sit
down with Pres.

* "Get core group" from 88
to come in next week
(next Tuesday)

Had Rogers - no one even contacts
me - left out

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE: _____ TIME: _____
incoming/outgoing

- 2 -

WITH: _____

SUBJECT: 1st of complaints about
(b)(6)

MCs like (b)(6) but "ineffective"
but not advocate
like (b)(6)

like (b)(6) personally -
not professionally

FOLLOW UP: _____

Successor -

Mario - "will run"
can't believe he
he's unpredictable
can run now
"he's been good to me"

Bush Presidential Library Photocopy

12/3/91

THE WHITE HOUSE
WASHINGTON

Mr. President:

Guy Molinari
called. Said he has the
information you requested
and a suggestion to offer.
Will take all of a minute
and a half.

Tele # 718-390-5100

Joe

THE WHITE HOUSE
WASHINGTON

DATE:

12-4-91

FROM THE PRESIDENT

TO:

Kathy Super / John S
cc: Ron Kaufman

Re: House of Rep "Core Group"

Guy Molinari suggests we invite the Core Group (original House supporters in '88) to come for a short get together at White house next week on day of Congressional Ball.

I like the idea... Please see if it can be worked out unless there is some clear reason not to do it. Although Molinari is not in the house, he should be invited.

Residence. Drinks. Informal.
Short presentation to them on campaign etc.

Presidential Phone Calls



DATE:

12-4-91

TIME:

incoming/outgoing

WITH:

Sec. Mosbacher

SUBJECT:

extreme importance to me
suggest for consideration
my name first on
commiseration

also add "day to day"
+ more Mosbacher
layman

FOLLOW UP:

DRAFT

STATEMENT BY THE PRESIDENT

Good afternoon. I want to introduce my new team of advisors that will help lead the White House and Presidential campaign in the months ahead. First, my new White House Chief of Staff will be _____ He's a dedicated professional with

The others with me today form the nucleus of a political advisory group I have worked with in the past. They are people of talent, creativity and energy, and I expect to put every bit of that to use.

Robert Teeter, who has worked with me in the trenches for many years, will serve as "Chairman" with overall responsibility for the campaign. Bob Mosbacher, Secretary of Commerce and an old friend, will be General Chairman. Fred Malek, a successful businessman and campaign stalwart in 1988, will make the trains run on time as Campaign Manager.

And finally, Charlie Black, a trusted colleague, friend and spokesman, will serve as Senior Advisor on all aspects of the campaign effort. In the last year, Charlie has picked up the

Bush Presidential Library Photocopy

Bush Library Photocopy
George Bush Handwriting

Bush banner from Lee Atwater, my old friend of so many years, and Charlie has been enormously helpful during this period. He has worked with Clayton Yeutter, Republican National Chairman, and Mary Matalin, RNC Chief of Staff, very effectively. Mary will move to our campaign organization as _____.

I have asked this group of campaign leaders to begin putting together an organization, to begin the consultation process that will bring thousands of dedicated supporters into the effort, and to develop a campaign plan that will guide my personal activities in the weeks and months ahead. Once this group has developed a plan for my review in January, I expect to make a formal announcement of my candidacy.

The Chief of Staff's position is a very personal one. Every President has different ideas about how his staff can best serve the needs of government and the Presidency. I believe we now have an excellent group of men and women who serve in the White House. They have helped me through good times and bad, and they offer the Nation effective leadership on the great issues of the day.

_____ takes over as my firm right hand at a time when the Nation's economy presents a difficult challenge. Economic growth is sluggish at best.

Bush Presidential Library Photocopy

People are out of work. We need to get this country back on its feet and people back on the job.

Right now we have a number of economic forces at work to bring about a recovery. And we have taken steps to help those most in need as quickly as possible. In fact, we have been accelerating a number of government financial activities that will speed the payment of more than \$4.6 billion into the economy. This shot in the arm includes government programs in agriculture, housing, defense, transportation, commerce and general services. These are programs where we can spend the money now, instead of later, and still preserve the spirit and integrity of the funding process. We are ~~still~~ ^{also} considering additional spending accelerations that may be possible.

We cannot be complacent about peoples' hardships, and I intend to develop a new legislative package of programs that will stimulate growth in the economy. We will announce it in the State of the Union, and I know that _____, as my Chief of Staff, will be in the forefront of our fight to get it passed by the United States Congress.

Thank you very much. I'll take your questions.

#

12/4/91
5:45 p.m.

Mr. President:

Bob Mosbacher just called and would like to talk to you asap regarding the attached release. Please call when you are free.

(In checking w/ Marlin, he said that Mosbacher wants to be listed first on the release and that's what Mosbacher wants to discuss with you. Teeter has a copy, but Marlin has not heard anything from Teeter.)

Rose Zamaria

THE WHITE HOUSE

WASHINGTON

December 4, 1991 DEC 4 PM 2:05

FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT *BS*

SUBJECT: Telephone Call to Alann Steen, Joseph Cicippio, returning hostages, and Peggy Say, sister of Terry Anderson

DATE: December 4, 1991

PURPOSE: To congratulate them on their release

SECURE OR OPEN: Open

INTERPRETER: None Required

PHONE NUMBER: Peggy Say 011-49-611-816-652
Joseph Cicippio 011-49-611-885-470
Alann Steen 011-49-611-885-169

CONTACT PERSON: Barbara Bodine, S/CT/Department of State,
(202) 647-5278

TIME DIFFERENCE: +6 hours

SUGGESTED TIMES: 1:15 p.m. EST December 4, 1991

TOPICS OF DISCUSSION: See Tab A - Points to be Made

Date of Submission:

Action:

Attachment:
Tab A Points to be Made

cc: Vice President
Chief of Staff

Bush Library Photocopy
George Bush Handwriting

Bush Presidential Library Photocopy

*Got Peggy 4 PM
An I talked
she saw on
her TV
pic of
Terry*

POINTS TO BE MADE FOR
TELEPHONE CONVERSATION WITH
JOSEPH CICIPPIO AND ALANN STEEN

- We are delighted that you are free, that your long and difficult ordeal is over. We are awaiting word that Terry Anderson, the last American hostage in Lebanon, is finally free. When that happens we will be even happier.
- Barbara and I share the joy that you and your families and loved ones all feel. The entire nation shares it, and you will be soon experience that warmth and joy when you return home.
- I am especially pleased to hear that you have endured all this as well as you seemed to have; that your health is good. That news is a tribute to you personally, to your bravery and perseverance in the face of enormous adversity.
- Events in the Middle East have been changing rapidly in the last two years and these favorable changes have played a major role in bringing about your release.
- Also, much effort, especially that of the UN Secretary General, has gone into ending your barbaric captivity. We have been supportive of his efforts and those of his assistant, Mr. Picco.
- We all hope that, now, this sad and painful chapter in history is coming to an end.
- We cannot, however, forget the remaining hostages in Lebanon, particularly the two Germans, nor those who died in captivity and whose remains have not been returned to their families. I hope you will find the occasion, amid the celebration, to remind people of this.

-- I don't want to take any more of your time. You need to spend as much as possible of that with your families and loved ones. This is going to be a particularly joyful and blessed holiday season for all of you and for all of us. You and your family will remain in the thoughts and prayers of me and my family.

POINTS TO BE MADE FOR
TELEPHONE CONVERSATION WITH PEGGY SAY

- We are delighted that your brother Terry, the last American hostage in Lebanon, is now free and your long and difficult ordeal is over.
- Barbara and I share the joy that you and your family and loved ones all feel. The entire nation shares it, and you will be soon experience that warmth and joy when you return home.
- You have made the release of the hostages your central task and now you must be satisfied that your task is coming to an end. Your brother is free, the last American hostage has left Lebanon.
- You were a tower of strength for all the hostage families. We all have great respect for your courage and fortitude during almost seven long years. Despite the obstacles you never gave up hope; you never flagged in your efforts.
- And now you have achieved success. I congratulate you and wish you much joy and happiness as you are reunited with your brother.
- Events in the Middle East have been changing rapidly in the last two years and these favorable changes have played a major role in bringing about the releases.
- Also, much effort, especially that of the UN Secretary General, has gone into ending the barbaric captivity of your brother. We have been supportive of his efforts and those of his assistant, Mr. Picco.
- We all hope that, now, this sad and painful chapter in history is coming to an end.

- We, however, must not forget the remaining hostages in Lebanon, particularly the two Germans, nor those who died in captivity and whose remains have not been returned to their families. I hope you will find the occasion, amid the celebration, to remind people of this.
- You and your family will remain in the thoughts and prayers of me and my family.

Presidential Phone Calls



DATE:

12-4-91

TIME:

incoming/outgoing

WITH:

Stann Steen

SUBJECT:

honon

whirlpool -

Leaky Line

excercises during ordeal

A-F can 30/12

etcercise - couldn't pump

did exercise one meter
of chain

FOLLOW UP:

face looks thin

first time in ³ years saw

myself in mirror -

an group Ammunity for West

last 22 months saw world cup -
NO news

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE: _____ TIME: _____ incoming/outgoing

WITH: - 2 -

SUBJECT: Gulf War -

Guard Iraq invaded Kuwait
I said "What?"

Fri - Sat. maybe go home

we talk about
Picco and UN Sec.

FOLLOW UP: _____

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE:

12-4

TIME:

2:30

incoming/outgoing

WITH:

Joseph de Gypino

SUBJECT:

appreciate all the help
you've come over to
General.

Feel good
everything great
1 night

FOLLOW UP:

sounds upbeat
great
thankful

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE:

~~12-4~~ 12-4

TIME:

4:32 P

incoming/outgoing

WITH:

Terry Anderson

SUBJECT:

at Damascus

Sounded fine

"Nominatio" Pico & de Cuellar
for Medal of Freedom

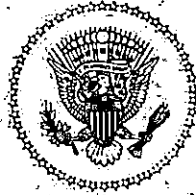
Arises in not to forget Palestine
(Lebanese?) still held by
Israel

FOLLOW UP:

sounded fine

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE:

12-4

TIME:

4
incoming/outgoing

WITH:

Peggy Say

SUBJECT:

Wresbader

Congratulate her on
her dedication

As I was talking to her
she saw Terry
Anderson for 1st
time on truck

FOLLOW UP:

I told MF & Burt

Bush Presidential Library Photocopy

THE WHITE HOUSE
WASHINGTON

December 4, 1991

NOTE FOR PATTY PRESOCK/
ROSE ZAMARIA

NSC has requested that the President not call Peggy Say until Terry Anderson is freed. The other call may be made at his convenience.

Thanks.



John S. Gardner

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 4, 1991

STATEMENT BY THE PRESIDENT

I join Terry Anderson's family and friends in their happiness for his return to freedom after six-and-a-half years in captivity. Speaking to Peggy Say, Terry's sister, this morning, I felt the joy and the tears that marked this occasion for her. Peggy and the families of the other hostages have known the tragedy and the loneliness of the captives themselves over these many years. And similarly, all Americans have shared the emotional trauma associated with hostage taking, terrorist kidnapping, and the personal tragedies that each of these hostages has experienced.

I remember meeting some of the hostages personally upon their return to Germany in those difficult hours immediately after their release. And all Americans have joined in the happiness exhibited by the hostages when they have returned to America. Those feelings are etched in our consciousness forever.

While the American hostages have now been released, we cannot say the ordeal is over. We call for the immediate, safe and unconditional release of all those held outside the legal system in the region, including the two remaining German hostages. There are also hostages who are believed to have died while in captivity. We call for a full accounting of all these individuals, including the return of their remains to their families and loved ones. Here I would single out Colonel Richard Higgins and Mr. William Buckley, two men who gave their lives for what they believed in.

We are grateful to those whose efforts are making possible releases such as that of Terry Anderson today, and we wish them well as they continue those efforts. We thank particularly United Nations Secretary General Perez de Cuellar and his personal representative, Mr. Picco. In addition, we thank the Governments of Iran, Syria and Lebanon, for the role that each has played in the safe and unconditional release of these hostages held in Lebanon. This is a positive development which we welcome.

We must dedicate ourselves to ensuring that hostage taking is not resumed. Indeed, the time has come to eradicate all forms of terrorism in the region and the world. Lebanon should once more become a place where people can travel and live their lives free of the fear of violence in all its forms.

#

12/4

Patty,

Please find attached
the final statement by
the President concerning
his comments to the
released when Young
Cushman is freed
(expected to be
around 3:00) Thank,
PJO

DRAFT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 4, 1991

STATEMENT BY THE PRESIDENT

I join Terry Anderson's family and friends in their happiness for his return to freedom after six-and-a-half years in captivity. Speaking to Peggy Say, Terry's sister, this morning, I felt the joy and the tears that marked this occasion for her. Peggy and the families of the other hostages have shared the tragedy and the loneliness of the captives themselves over these many years. And similarly, all Americans have known the emotional trauma associated with hostage taking, terrorist kidnapping, and the personal tragedies that each of these hostages have known.

I remember meeting some of the hostages personally upon their return to Germany in those difficult hours immediately after their release. And all Americans have shared in the happiness exhibited by the hostages when they have returned to America. Those feelings are etched in our consciousness forever. Therefore, we must continue to be concerned for the two remaining German hostages, and we must continue to press for the remains of Colonel Richard Higgins and Mr. William Buckley. While the American hostages have now been released, we cannot fully say the ordeal is over.

Hence, we call for the immediate, safe and unconditional release of all those held outside the legal system in the region. There are also hostages who are believed to have died while in captivity. We call for a full accounting of all these individuals, including the return of their remains to their families and loved ones.

We are grateful to those whose efforts are making possible releases such as that of Terry Anderson today, and we wish them well as they continue those efforts. We thank particularly United Nations Secretary General Perez de Cuellar and his personal representative, Mr. Picco, and the Governments of Iran, Syria and Lebanon, for the role that each has played in the safe and unconditional release of these hostages held in Lebanon.

We hope that we can now build on this positive development and work to narrow differences that remain. At a minimum, we must dedicate ourselves to ensuring that hostage taking is not resumed. Indeed, the time has come to eradicate all forms of terrorism in the region and the world. Lebanon should once more become a place where people can travel and live their lives free of the fear of violence in all its forms.

#

*Hasn't
Gruel?*

In addition, we thank

Wednesday
December 4, 1991

Mr. President:

Per NSC, our Embassy in Damascus has been asked to go to the
Foreign Ministry in Damascus at 3 pm.

THE PRESIDENT HAS SEEN
WASHINGTON

Marlin:

by

Set Room

Checked w/ state

Both confirm

new release

expected 1-1:30 PM

today

Roman

Bush Presidential Library Photocopy

Mr. President:

Per NSC, we're still only getting hints of the release of Anderson.

Syrians are playing to the media. Peggy has been located
in Weisbaden and as soon as we get confirmation, we will let you
know and place the call.

Rose



INSERT

Carter did not use per Bill Parish

BEFORE I BEGIN, LET ME COMMENT BRIEFLY ON A VERY GRATIFYING DEVELOPMENT: WITH TERRY ANDERSON'S RELEASE, ALL THE SURVIVING AMERICANS WHO HAD BEEN HELD HOSTAGE BY TERROR GROUPS IN LEBANON ARE FREE. ALL AMERICANS SHARE IN THE JOY OF THOSE WHO HAVE REGAINED THEIR FREEDOM. OUR JOY MINGLES WITH SAD REMEMBRANCE OF WILLIAM BUCKLEY AND COL. RICH HIGGINS, WHO WERE BRUTALLY MURDERED BY THEIR CAPTORS.

THEIR SUFFERING HAS NOT BEEN IN VAIN. CIVILIZED PEOPLE EVERYWHERE ARE REVULSED BY HOSTAGE-TAKING, MURDER AND TORTURE.

- 2 -

BUT WE MUST REMEMBER THAT THIS NATIONAL ORDEAL HAS NOT ENDED. WE NEED A FULL ACCOUNTING OF THOSE WHO DIED IN CAPTIVITY AND THE RETURN OF THEIR REMAINS. WE ALSO SEEK THE RELEASE OF ALL THOSE BEING HELD OUTSIDE THE LEGAL SYSTEM, INCLUDING THE TWO GERMAN HOSTAGES. THE RELEASE OF THE LAST AMERICAN HOSTAGE SHOULD SIGNIFY ANOTHER MILESTONE ALONG THE PATH WE ARE COMMITTED TO TRAVEL -- TO HALT TERROR AND VIOLENCE, TO FOSTER PEACE AND UNDERSTANDING IN THE MIDDLE EAST.

#

10:30 AM

12/4/91

THE WHITE HOUSE
WASHINGTON

Mr. President THE PRESIDENT HAS SEEN

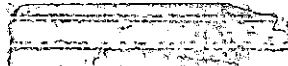
Secretary Baker
would like to talk
with you on secure
phone when you are
free

Rose

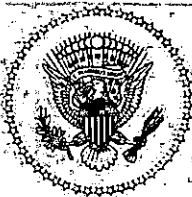
called

Get announcements out
asap C of S + Campaign

Bush Presidential Library Photocopy



Presidential Phone Calls



DATE:

12-4-91

TIME:

1528

incoming/outgoing

WITH:

Elsie Hillman

SUBJECT:

Cof S - you did the
right thing

she "Walt Curley for Cof S"

"elitist" is done

He brings so much to the job
total loyalty - NO
personal agenda

FOLLOW UP:

Send stray signal to base

Toby Fort sick - on
respirator

Vay sick -

chance he might make it

THE WHITE HOUSE
WASHINGTON

Date: 12/4/91

TO:

Gatty

FROM: ROSE ZAMARIA

Deputy Assistant to the President and
Director of White House Operations

- ☐ Action
- ☐ Comment
- ☐ FYI
- ☐ Other

*{ 3:27 PM } - Potus took call
3:32 PM
from Elsie Hillman on X7400*

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01c. Note	Handwritten notes of Presidential Phone Calls with D. Quayle Re: J. Sununu [redaction] (1 pp.)	12/04/[91]	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 4, 1991

Date Closed: 3/11/2014	OA/ID Number: 90638-001
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

Presidential Phone Calls



DATE:

12-4

TIME:

6¹⁵

incoming/outgoing

WITH:

D Quigley

SUBJECT:

J Shuman

on way to Cleveland - Detroit

He talked to several
commuters. They like
Shuman -

Weyrich, Fuldner
Hyde, Weber, Neust,

FOLLOW UP:

Wallop, Lott -

Wallop back on Shuman

(b)(6)

"irrelevant" - was it??")

Presidential Phone Calls



DATE:

12-4-91

TIME:

6:50
incoming/outgoing

WITH:

Charlie Black

SUBJECT:

campaign highly honored to be
included - on campaign
his role from -
need to work closely
with J. Sumner

FOLLOW UP:

Wednesday
December 4, 1991

✓

- ✓ 1. FYI ONLY: Ambassador Walter Curley has been confirmed for Friday, January 17 at 10 a.m. - one-on-one "personal" meeting. He's flying back for this meeting. We offered up a phone call, but he prefers a meeting.
- ✓ 2. REMINDER: Bill Moss will be in town Wednesday (today)/Thursday/Friday. Would like to stop by for a "cup of coffee" or a "drink" - purely social. (Bill Moss - 466-3100)
GUIDANCE:
- ✓ 3. Mufi Hanneman (your old WH Fellow when you were V.P.) called asking to see you during your visit to Hawaii. Should we have him at the airport upon arrival or departure (whichever is more appropriate) so he can say hello to you? GUIDANCE:
(225-9297 - GAIL)
- ✓ 4. Elsie Hillman called. Recommending Walter Curley for Chief of Staff. Only negative she can come up w/ is that he might be considered an "elitist." Tons of positives. She wants to discuss this with you personally. She's in New York and has already discussed this suggestion with John Bush. John encouraged her to call you.
(212-753-4500)
- ✓ 5. Alec Courtellis called. Recommending Dick Cheney for the Chief of Staff. He is the only possible candidate. The war is over. He is desperately needed here. The Chief of Staff is the most important position in Washington for the next 12 months. You have a very difficult campaign ahead. Cheney is respected and will do a first class job for you. He can be trusted and will handle the position in a professional manner.

He loves Skinner, but feels he is not experienced enough for the job. There is no time to learn - whoever takes it over has to hit the ground running and he doesn't feel Skinner can do it. He does not know the ropes.

Andy Card would be a good "care-taker"; but, like Skinner, doesn't know the ropes, inexperienced, etc.
NO NEED TO RETURN THE CALL
- ✓ 6. Senator John Chaffee called. Recommends Andy Card for Chief of Staff and asks that as you deliberate you don't overlook him. Said not to "get down" over all of this. You will be re-elected! He is all for you - very supportive. Don't worry.
NO NEED TO RETURN THE CALL
7. Jerry Weintraub called. Wants you to know he's supportive. He's calling Governor Sununu too. Would like to talk to you personally; however he understands if you don't have the time.

Bush Presidential Library Photocopy

Wednesday
December 4, 1991

OK
1. FYI ONLY: Ambassador Walter Curley has been confirmed for Friday, January 17 at 10 a.m. - one-on-one "personal" meeting. He's flying back for this meeting. We offered up a phone call, but he prefers a meeting.

Gatty ✓
2. REMINDER: Bill Moss will be in town Wednesday (today)/Thursday/Friday. Would like to stop by for a "cup of coffee" or a "drink" - purely social. (Bill Moss - 466-3100) **TON B.M. P.**
GUIDANCE:

Can't
he run
a damn
3. Mufi Hanneman (your old WH Fellow when you were V.P.) called asking to see you during your visit to Hawaii. Should we have him at the airport upon arrival or departure (whichever is more appropriate) so he can say hello to you? GUIDANCE: *Potus will take # and try to give him a call* **4.4.4.**
(225-9297 - GAIL)

4. Elsie Hillman called. Recommending Walter Curley for Chief of Staff. Only negative she can come up w/ is that he might be considered an "elitist." Tons of positives. She wants to discuss this with you personally. She's in New York and has already discussed this suggestion with John Bush. John encouraged her to call you. *Potus talked w her*
(212-753-4500)

R2 to
Call
Cheney can't
do for several
reasons -
One: Takes
time
(Cheney) -
5. Alec Courtellis called. Recommending Dick Cheney for the Chief of Staff. He is the only possible candidate. The war is over. He is desperately needed here. The Chief of Staff is the most important position in Washington for the next 12 months. You have a very difficult campaign ahead. Cheney is respected and will do a first class job for you. He can be trusted and will handle the position in a professional manner. *done*

He loves Skinner, but feels he is not experienced enough for the job. There is no time to learn - whoever takes it over has to hit the ground running and he doesn't feel Skinner can do it. He does not know the ropes.

Andy Card would be a good "care-taker"; but, like Skinner, doesn't know the ropes, inexperienced, etc.
~~NO NEED TO RETURN THE CALL~~

Potus
will
write
6. Senator John Chaffee called. Recommends Andy Card for Chief of Staff and asks that as you deliberate you don't overlook him. Said not to "get down" over all of this. You will be re-elected! He is all for you - very supportive. Don't worry. *Potus wrote*
NO NEED TO RETURN THE CALL

7. Jerry Weintraub called. Wants you to know he's supportive. He's calling Governor Sununu too. Would like to talk to you personally; however he understands if you don't have the time. *John will call*



News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, DECEMBER 4, 1991
6:00 A.M. EST EDITION

NATIONAL NEWS

SUNUNU RESIGNS; BUSH TO NAME SUCCESSOR 'SOON' -- John Sununu resigned Tuesday, ending a stormy three-year tenure as President Bush's most powerful adviser on domestic policy and politics.
(Washington Post, Chicago Tribune, Dallas Morning News, Boston Globe, Washington Times, Reuter, AP)

WILDER SCORES BUSH FOR CREATING RACIAL DIVISIONS -- Gov. Douglas Wilder said Tuesday President Bush has created a political climate in America that allows David Duke and others who espouse racial division to flourish. (UPI)

INTERNATIONAL NEWS

ANDERSON REPORTED FREED, ENDING U.S. HOSTAGE ORDEAL -- Terry Anderson was released Wednesday after more than 6.5 years in the hands of Shiite extremists, Iran's official news agency said, in what would end an agonizing seven-year hostage ordeal for the U.S. (AP)

FEDERAL JUDGE RULES HAITIANS CAN'T BE FORCED BACK YET -- A federal judge ruled Tuesday that thousands of Haitians living in tent cities and aboard Coast Guard cutters cannot be forced back to their strife-torn homeland until the U.S. government gives them a greater opportunity to claim political asylum. (Knight-Ridder)

NETWORK NEWS (Tuesday evening)

SUNUNU RESIGNATION -- John Sununu's resignation makes it clear the White House is under pressure to improve President Bush's political fortunes.

HOSTAGES -- Alann Steen's release brought the U.S. hostage crisis closer to an end.

PEACE TALKS -- The Arab delegations are ready to talk, even if the Israelis will not attend until Monday.

TRIP NEWS.....A-1

NATIONAL NEWS.....A-3

INTERNATIONAL NEWS...A-10

NETWORK NEWS.....B-1

EDITORIALS.....C-1

TRIP NEWS

BUSH LAUDS TROPICANA EMPLOYEES

BRADENTON, Fla. -- Charlie Leist's camera click-clicked when President Bush moved center stage Tuesday morning in the Tropicana Products Inc. plant in east Bradenton.

"I think it's terrific," Leist, 57, a Tropicana facilities planner and Bush fan, said of the President's visit. "This is a big morale boost for everyone."...

Bush steered clear of poor unemployed people and drug dealers in Tropicana's shadows. Police escorts made sure Bush didn't see protesters outside Tropicana's corporate headquarters by using another entrance....

Bill Byers, a Tropicana International controller, appreciated Bush's visit, but wished for more.

"I guess it's one of those situations you wish you had 10 minutes to sit down and talk with him and tell him what you really think," Byers said. "I think (I'd tell him) that I'd like to see a more realistic approach to the idea of free trade and how our trading partners really operate. Japan would be a start."...

"I think it's tremendous there is that kind of recognition for the program," said former Tropicana president Bob Soran, who started the company's drug-free program. "He cares that much to actively endorse it and move it to other businesses throughout the United States."
(Nick Mason, Bradenton Herald)

BUSH TRIES TO REASSURE WORKERS ON TRIP

MERIDIAN, Miss. -- President Bush again went on the road Tuesday, rolled up his sleeves and tried to reassure working people that he was the commander-in-chief of the economy....

Many in the crowd in Bradenton reflected the consumer anxiety prevalent in public opinion polls and questioned whether Bush could be doing a better job....

"Everywhere I look the economy is bad," said Isabel Schlett, who was on her second day of work at Tropicana after being furloughed from the plant in June. "I think he (Bush) could do a little better."
(Robert Dodge, Dallas Morning News)

Bush: 'I Really Want To Help'

BRADENTON, Fla. -- President Bush stood beneath a hot Florida sun and told skeptical citrus plant workers he was "concerned" about those hurt by the ailing economy and added, "I really want to help."...

But he offered no new rescue plan, and elicited only a mild applause from several hundred employees of Tropicana Products Inc. when he vowed to "keep fighting" for a capital gains tax cut that he said would spur economic growth....

Sandra Rosenberg, who works in marketing at Tropicana, snapped pictures of Bush and afterwards scoffed: "I don't think he's doing anything. I think he's just concerned about his image and his rich friends."
(Thomas Ferraro, UPI)

Bush Says He's Aware Americans Are Suffering Hardships

MERIDIAN, Miss. -- President Bush, trying to dispel doubts about his handling of the economy, said Tuesday he is acutely aware that Americans are suffering hardships and declared, "We can't sit back and hope for the best."
(Terence Hunt, AP)

BUSH WILL DELAY PLAN ON ECONOMY UNTIL NEXT YEAR

MERIDIAN, Miss. -- President Bush said Tuesday he would wait until late January to announce a plan to deal with the stagnant economy, in effect rejecting appeals for swifter action.

In a speech to workers at the Peavey electronics plant, Bush said he would outline a new plan during his annual State of the Union address....

During his visit to Tropicana, Bush got an earful from some employees. Over a lunch of pasta and green beans, Richard Goodwin urged Bush to scrap plans for a free-trade agreement with Mexico....

Four women wearing hard hats who were inspecting oranges urged Bush to do something about the homeless, particularly those who are basically camped out in Lafayette Square. "He said they're trying to do something," said Shirley Yeck. "If they are, I don't know."

(Jacqueline Frank, Reuter)

NATIONAL NEWS

SUNUNU RESIGNS; BUSH TO NAME SUCCESSOR 'SOON' Skinner Seen As Leading Contender

MERIDIAN, Miss. -- John Sununu resigned Tuesday, ending a stormy three-year tenure as President Bush's most powerful adviser on domestic policy and politics.

In a handwritten letter of resignation abruptly handed to reporters during an appearance by Bush here, Sununu said he did not want to become a "political negative" for the President and a "drag" on his chances for reelection....

Sununu will assume the post of counselor to the President until March to help in the transition period, and then will leave the government. Bush said he would have a new chief of staff "soon" but declined to say whether he has made a choice and who it might be. Speculation centered on Secretary Skinner but White House officials said no job offer has been made as of Tuesday night. Aides warned that the President has a propensity to make such choices in secret and that other candidates could be under consideration.

Both Bush and Sununu, talking with reporters aboard Air Force One en route back to Washington, struggled to portray Sununu's departure as the chief of staff's decision. But White House officials said it had been almost inevitable after George W. Bush made clear to Sununu last week that he had become a political liability....

Until the end, some conservatives were pleading for Sununu to stay. "Seems to me if I were George Bush, I wouldn't want to cast away the best liaison I have to the conservative wing of the party," Rep. Weber told reporters at a Capitol Hill news conference just hours before Sununu quit.

After the resignation, Rep. Hyde said he was saddened. "Many of us trusted him and felt comfortable with him politically and philosophically. His intelligence, candor and loyalty will be missed."

(Ann Devroy, Washington Post, A1)

Under Pressure From Both Parties, Sununu Resigns As Chief Of Staff

...Skinner emerged as the most likely candidate to replace Sununu. Within minutes of Tuesday's announcement, some party officials were talking about Skinner as if he were already in place.... "If Skinner's not in line for the job, he's been eating an awful lot of food here lately," a White House official said....

While Republican leaders, such as Sen. Dole, offered kind public words for the departing chief of staff, there was ill-disguised glee among many White House staffers and party officials. "The toad is dead; long live the toad," an Administration official exclaimed upon hearing the news....

"Skinner would have a place at the table and a big voice," said a senior party official. "But he wouldn't run the campaign out of the White House. The mission calls for management skills inside the White House right now. He's someone who can run the White House smoothly and not trip over the campaign."

(Steve Daley & Timothy McNulty, Chicago Tribune)

Embattled Sununu Quits; Skinner Likely Successor

...Earlier Tuesday, two longtime Bush associates said the President was nearing a decision to oust Sununu after learning from George W. Bush that many top Republicans believed that Sununu had become a liability. A White House official said that Barbara Bush also had concluded Sununu had become a liability.

"Personally, she is very fond of him," said the official. "But he had reached a point of diminishing returns. I know she felt that. I think there has been a disenchantment..."

"President Bush needs to regain control of his Administration, and if that means personnel shifts, fine," said Rep. Armey. But he said Richard Darman "remains the President's biggest liability," adding that Bush "needs sound, conservative advice on politics and economics."

Rep. Gephardt said the President's political problems "relate to the recession and to the economic policies that hurt America's working families, not the leadership of Gov. Sununu in carrying out those policies." (Carl Leubsdorf, Dallas Morning News)

Sununu Bows To Drumbeat Of Critics, Resigns As Chief Of Staff

...Sources said the resignation allowed Sununu to avoid being fired, although Sununu denied that Tuesday night....

Sununu's departure could boost the influence of Andrew Card. According to an Administration official, Card has been managing many functions during the controversy over Sununu. There were unconfirmed reports Tuesday night that Card led a delegation Monday that urged Sununu to resign....

Just before the resignation, a senior Administration official said Sununu's problems had grown so serious that some of Bush's friends "were so anxious to tear him down that they risked bringing down the President." When that message was relayed to Bush, he decided to pressure Sununu to resign, sources said.

(Michael Kranish, Boston Globe)

Sununu Leaves The Line Of Fire

MERIDIAN, Miss. -- ...A White House aide said the resignation letters were released in Mississippi because of what he called "the President's absolute hatred for leaks and his certainty this would not hold for 24 hours without leaking."

(Frank Murray, Washington Times, A1)

Sununu Resigns, Says Bush Does Not Need Another Political Burden

..."I don't think John Sununu was the issue, George Bush is the issue," Rep. Downey said. "The Republicans like to blame everyone but the boss. Sununu was a problem, but Bush is responsible for Sununu."

Added Gov. Douglas Wilder: "The President is looking for people to blame for his own leadership shortcomings, and his chief of staff was the obvious target." (Steve Holland, Reuter)

Combative Chief Of Staff Sununu Resigns Under Fire

...One GOP congressional source called the decision to give Skinner the job "definite but not official."...

GOP consultant Charles Black said Sununu's resignation cleared the decks for Bush to move on the campaign. "I'm sure the President will pick a successor shortly. Surely, the campaign team is not far behind," Black said. He said he wouldn't be surprised if Bush filled all the posts within the next few days.

(Tom Raum, AP)

BUSH STAFF WONDER WHO'S NEXT ON CHOPPING BLOCK

A mixture of relief and panic swept through the White House Tuesday after John Sununu's abrupt resignation, with several officials predicting firings as President Bush hastily puts his reelection team in charge of day-to-day operations.

"This is disastrous, this is a mess," said a top official.

"We're apprehensive," said another official, who expressed concern that Sununu's departure takes a key conservative out of the top ranks of government.

"It's like Carter and Ford," said another senior aide. "They had major staff shakeups one year before the election and that set off mass chaos. Look where it got them."

"We're waiting for the other shoe to drop," said a White House official who predicted further staff shakeups.

Another official said "Bush and Sununu looked relieved" after the announcement.

(Paul Bedard, Washington Times, A7)

REPUBLICANS SAY SUNUNU'S OUSTER MAY NOT BE GOOD ENOUGH

John Sununu's forced resignation eliminated an irksome distraction from the White House and a potential impediment to a smooth reelection campaign for President Bush, but it has done nothing to alleviate Bush's principal problem, influential Republicans said Tuesday night....

One Republican, who is set to play a role in Bush's campaign, said Sununu was "taking the rap" because Bush appeared "helpless." The White House, he said, "hasn't a clue what to do domestically, and this resignation doesn't solve that fundamental problem."...

"Conservatives are prepared to abandon George Bush in droves in 1992," said Richard Viguerie in a statement Tuesday. In an apparent allusion to Skinner, he added: "The appointment of an establishment, country-club Republican to replace John Sununu would be the last straw driving them to Pat Buchanan."...

Republican strategist Kevin Phillips said conservatives "had soured enough on Sununu (that) there will not be a lot of recrimination" against Bush for dismissing him. But, he added, "even someone like Sununu could be remembered and missed in death, however, if it turns out the replacement is worse."

(Walter Robinson, Boston Globe)

HILL POLITE IN WAKE OF RESIGNATION

Congressional reaction to John Sununu's departure was, like the resignation itself, almost anti-climactic.

"Being the President's chief of staff is one of the toughest jobs in town," Sen. Dole said. "You're a lightning rod for criticism, and no matter how well you do, you'll never please everyone...."

Rep. Michel said President Bush had little choice but to jettison Sununu. "If the delicate chemistry that this all-important job requires is no longer working...then the President must make the difficult decision of ending that relationship," he said.
(Major Garrett, Washington Times, A7)

'LYNCHING BY LEAKS' IS CITED IN DOWNFALL

It was Bush loyalists, mostly moderate Republicans in and out of the White House, who finally succeeded in getting rid of John Sununu.

But few conservatives who have influence with the President made any attempt to save Sununu. They say privately that Sununu let them down on policy and treated them shabbily besides....

"Basically, it was a lynching by leaks, innuendoes and backstabbing," says Heritage Foundation president Edwin Feulner. "The leaks came from the White House staff and more precisely from the OMB."...

"It looked like the White House was going to hell, and if we Republicans want to get Bush reelected we have to find somebody besides Bush to blame for the country's problems," Lyn Nofziger said. "Sununu made an excellent scapegoat. This theoretically gives Bush a chance to start all over and prove it was indeed Sununu's fault."...

"When you have a bunch of Cabinet officers saying, 'I can't work with this guy,' and you have a bunch of people in the President's reelection committee say the same thing, then John's got to go," says a senior adviser to the President. "I can guarantee Bush didn't push this guy. He did it to himself."

(Ralph Hallow, Washington Times, A1)

'THE TIME HAD COME TO FOLD'

President Bush shed one of his biggest liabilities Tuesday when he accepted John Sununu's resignation, setting the stage for his bid to return to the White House next year....

"[Sununu] had to finally walk the gangplank," said GOP consultant Jim Innocenzi. "There was a mutiny on the ship and they told him, 'Jump or we're going to push you.' What it tells us is that George Bush wants to be president for four more years more than anything else in the world."

Bush proved "right or wrong, he calls his own shots," said Florida GOP strategist Mac Stipanovich. (Judy Keen, USA Today, 1A)

PRESIDENT'S SON WINS PRAISE FOR HIS ROLE IN SUNUNU AFFAIR

AUSTIN -- When the time came to deliver the bad news to John Sununu, the emissary was one of the President's closest advisers, confidants and political trouble-shooters. His son, George W. Bush.

In conversations and meetings that led to Sununu's resignation Tuesday, President Bush's eldest son proved himself to be a high-stakes political intermediary who always had the President's ear, according to Bush Administration sources.

"He's one of the few people who has his father's interest absolutely at heart," said Rob Mosbacher, chairman of the Texas Victory '92 Committee. "He has no agenda of his own and he has the added advantage of being totally candid with his father."...

"He has the complete and total trust of his father, but he also has his father's respect for having terrific political sense and an ability to cut to the quick," said Republican political consultant Karl Rove.

Moreover, several Republicans said the younger Bush has earned the confidence of party insiders who will talk freely with him, knowing that he has direct access to the President. "Their message will be delivered without any filtering," said an anonymous Bush adviser. (Sam Attlessey & Wayne Slater, Dallas Morning News)

GENIALITY WASN'T A PRIORITY

A hot-selling item in New Hampshire during the 1988 presidential primary was a button with the face of the Granite State's governor, John Sununu. The caption: "Will Rogers Never Met This Man."

John Henry Sununu has never been concerned with being liked. During three years as President Bush's chief of staff, the combative Sununu managed to alienate members of Congress in both parties, other officials in the Administration and even lobbyists friendly to the President's goals. Near the end, when he reached out for help, there weren't many people around willing to reach back. (News Analysis, John Yang, Washington Post, A1)

**PRESIDENTIAL STAFF CHANGES, SIGNALING
TROUBLE, RARELY DELIVER CURE**

When presidents change chiefs of staff, as President Bush did Tuesday, it's a sure sign that they are in trouble. But history suggests that it's rarely the cure, and political veterans of both parties said Tuesday that Bush has much more repair work to do to end the slide that has placed his reelection in jeopardy.

Senior Administration officials, including many who shed no tears at the departure of John Sununu, agreed privately that unless Bush finds a way to restore public confidence in the economy, the changeover won't make much difference.

Greg Schneiders, a Democratic consultant, remarked that "if they bring in someone who has ideas on how to deal with the economic problems, both substantively and politically, it could turn out to be the most important day of his Administration. But the real problem has been Bush. Until he becomes more engaged with domestic issues, the problem won't be solved."

(News Analysis, David Broder, Washington Post, A15)

EDITOR'S NOTES: "Johnny, We Hardly Sununu," by Marjorie Williams, appears in The Washington Post, page C1.

"Media Carried Ammunition That Brought Down Sununu," by Alan McConagha, appears in The Washington Times, page A7.

SURVEY FINDS RIFT IN GOP COALITION

A new study has found that the Republican Party faces a rift in its coalition along class lines and that Americans are ready to support a more active role for government in dealing with domestic issues.

The latest survey by the Times Mirror Center for the People & the Press suggested that the political problems confronting President Bush run deeper than internal difficulties at the White House and that the tasks confronting the successor to John Sununu will include answering the public's clamor for initiatives at home and healing divisions in the President's party.

The survey of 2,022 adults completed earlier this month found that despite all of the tax-cutting talk in Washington, 61 percent of Americans would like to use the "peace dividend" for new spending on problems in health, education and the environment. Only 27 percent favored using it to cut the deficit and 10 percent favored using it for tax cuts. (E.J. Dionne, Washington Post, A20)

POLL SHOWS BUSH CRUSHING CUOMO IN TEST ELECTION

President Bush's popularity has plunged and the public is angry with the state of the nation, but he still would crush Gov. Mario Cuomo in a presidential election, a poll showed Tuesday. The poll of 2,020 people by the Times-Mirror Center for the People & the Press said Bush would win 58 percent of the vote to Cuomo's 37 percent, with 5 percent undecided. (Michael Posner, Reuter)

WILDER SCORES BUSH FOR CREATING RACIAL DIVISIONS

RICHMOND -- Gov. Douglas Wilder said Tuesday President Bush has created a political climate in America that allows David Duke and others who espouse racial division to flourish. "He sowed the seeds" for Duke to mount political campaigns, Wilder told reporters. Wilder said Bush's strategy may have backfired with the movement of Duke into the presidential arena. (UPI)

BUSH AIDES SEEK WAYS TO SPUR ECONOMY Tax Cuts Considered, Even If They Widen Deficit

For the first time in almost a decade, the imperative for the President's budget writers is to revive the economy rather than reduce the huge deficit.... Richard Darman and other top Bush allies are working on ways to propose substantial new tax cuts without making the deficit bigger. And some top advisers are even suggesting tax cuts that would widen the deficit....

Some Administration officials fret that the package being formulated may not be enough to resuscitate the economy. So these officials are beginning to talk about ways to bend or temporarily suspend parts of the budget law to allow a one-time-only tax cut to goose the economy. (David Wessel, The Wall Street Journal)

LOW INFLATION FOR FOOD PRICES

Americans are getting a break after two years of steep increases in food prices -- a food inflation rate of 3 percent this year and only modest increases next year, the government predicts. The low rates would mark a return to the traditional pattern of food prices rising at a slower pace than the U.S. inflation rate.

(Charles Abbott, UPI)

PAINTING BY A NEW SET OF NUMBERS

The Commerce Department is likely to announce Wednesday that upon closer examination, the American economy grew a little more slowly in the 1980s than it thought. The conclusion arises from a sweeping revision of what has long been the government's principal economic scorecard, the GNP. Not only is Commerce recalculating GNP, it is also advising the public to pay attention to a difference economic gauge, the gross domestic product, or GDP.

(John Berry, Washington Post, F1)

ALEXANDER DEFENDS SCHOLARSHIP PLAN

Secretary Alexander said Tuesday that his proposed policy on race-specific scholarships was designed to "create diversity on campus while still respecting federal anti-discrimination laws," but higher education representatives doubted his proposal would help colleges recruit more minority students....

"I'm confident after looking at the results of our seven-month review that college presidents will be able to award scholarships to minority students and use financial aid to create diversity on campus without violating the law," Alexander said in a brief statement....

"It's going to be very hard to write regulations from Washington that will fit the particular needs of an institution," said William Danforth, chancellor of Washington University in St. Louis. "If the predictions are right...it will be a setback. I'm just afraid it's going to make it a lot tougher for us" to recruit minorities.

(Kenneth Cooper, Washington Post, A23)

UNDER FIRE, CDC REJECTS LISTING AIDS-RISK PROCEDURES

ATLANTA -- The Centers For Disease Control confirmed late Tuesday that it is abandoning its plan to list procedures that AIDS-infected doctors shouldn't perform. Medical groups had overwhelmingly criticized the proposal. Instead, the federal agency will recommend decisions be made on a case-by-case basis.

"We're taking a different approach," Dr. James Curran, head of the CDC's AIDS task force, said Tuesday night, confirming a report in Wednesday's New York Times.

(Gary Carter, AP)

EDITOR'S NOTE: "Poppy And Flop," regarding President Bush's meeting with George Follansbee, appears in "Inside The Beltway, The Washington Times, A6.

INTERNATIONAL NEWS

ANDERSON REPORTED FREED, ENDING U.S. HOSTAGE ORDEAL

BEIRUT -- Terry Anderson was released Wednesday after more than 6.5 years in the hands of Shiite extremists, Iran's official news agency said, in what would end an agonizing seven-year hostage ordeal for the U.S....

The Islamic Republic News Agency's Beirut office, which has usually proved reliable on hostage releases, said Anderson, 44, was freed at 10 a.m. (3 a.m. EST) and was on his way to Damascus. The agency attributed its information to an informed security source.

There was no immediate confirmation of Anderson's release from Lebanon or Syria, whose forces normally escort freed captives for the drive to Damascus. In a departure from the pattern of previous releases, no statement was issued by Islamic Jihad announcing its intention to let him go. (Rodeina Kenaan, AP)

HOSTAGE STEEN FREED IN BEIRUT

WIESBADEN, Germany -- American educator Alann Steen was released from nearly five years of captivity in Lebanon Tuesday, and the drama of Americans held hostage appeared near an end amid word that journalist Terry Anderson would be set free Wednesday....

Meanwhile, new evidence of mistreatment of Western hostages emerged here Tuesday as doctors examining former hostage Joseph Cicippio disclosed he has permanent frostbite damage from being chained outside during two winters and occasional dizzy spells that may be the result of a blow he received from kidnappers when he was abducted in 1986. (Steve Vogel, Washington Post, A1)

MOSCOW MEETING ON MIDDLE EAST SET FOR JAN. 28-29

The U.S. and the Soviet Union announced Tuesday that the third phase of the Middle East peace process will begin with a multilateral foreign ministers' meeting in Moscow on Jan. 28-29, as the second stage involving planned bilateral talks here appeared to be floundering in procedural disputes.

In a related move, President Bush said the U.S. will press the U.N. General Assembly to repeal its resolution equating Zionism with racism before the Assembly's session ends on Dec. 17....

At a news conference Tuesday, Palestinian spokeswoman Hanan Ashrawi hinted that the Arabs might disrupt efforts to get underway Monday. She noted that Dec. 9 will mark the fourth anniversary of the Palestinian uprising....

Asked if that meant the Palestinians would refuse to meet on Monday, she replied: "You can draw your own conclusions, but let me say that the 9th is not just an ordinary day for us."

(John Goshko, Washington Post, A29)

**SHAMIR APPROVES NEW MILITARY SITE,
REAFFIRMS INTENT TO SETTLE WEST BANK**

JERUSALEM -- Prime Minister Shamir Tuesday confirmed his government's approval of a new military settlement in the occupied West Bank, and, speaking on the eve of Arab-Israeli peace talks in Washington, restated his commitment to colonizing the occupied territories.

Shamir's remarks, delivered in response to the shooting of a Jewish settler in the West Bank this week, came as Israeli diplomats struggled to prepare for an expected backlash by Arab and U.S. officials against Israel's decision not to show up for the scheduled opening of negotiations on Wednesday....

American Jewish lobbyists in Israel said there is widespread unease in the American Jewish community about Shamir's stance.

"A lot of Israel's friends are upset," said one anonymous lobbyist. "They're saying they can't believe that there would be a situation in which you would have direct peace negotiations in Washington, and Israel would not show up on time."

(Jackson Diehl, Washington Post, A29)

FEDERAL JUDGE RULES HAITIANS CAN'T BE FORCED BACK YET

MIAMI -- In a historic and startling victory for Haitian refugees, a federal judge ruled Tuesday that thousands of Haitians living in tent cities and aboard Coast Guard cutters cannot be forced back to their strife-torn homeland until the U.S. government gives them a greater opportunity to claim political asylum.

U.S. District Court Judge C. Clyde Atkins gave the government seven days to come up with a plan to ensure that no Haitians are returned to Haiti if they have a well-grounded fear of political persecution. The government plans to appeal.

(Lizette Alvarez, Knight-Ridder)

BUSH ADMINISTRATION CALLS FOR TIGHTENING HAITI EMBARGO

The Bush Administration and aides to deposed President Aristide called for tightening a trade embargo against Haiti even as they acknowledged it is having "tragic" and unintended effects on the economy.

State Department officials on Tuesday continued to press leaders of the EC to impose a similar trade ban, while Aristide's ambassador to Washington endorsed the idea of a naval blockade to stop all shipments to the de facto regime....

A top State Department official complained Tuesday that the embargo has completely undermined four years of U.S. efforts to lure assembly industries to Haiti to boost its anemic economy.

"That's tragic," said the official. "That's what we were wrestling with before making our decision" to support full economic sanctions.

(Christopher Marquis, Knight-Ridder)

OFFICIAL VOICES JAPAN'S 'REMORSE' OVER WAR

TOKYO -- Japan's Foreign Minister Michio Watanabe Tuesday offered a dramatic acceptance of blame for his country's role in World War II, expressing "deep remorse over the unbearable suffering and sorrow Japan inflicted" by its "reckless" decision 50 years ago this week to start a war with the U.S.

In an interview, Watanabe said the Japanese government "isn't seeking any kind of apology" from the U.S. for the atomic bomb blasts that brought the war to an end.... Watanabe also pledged that the national parliament will "definitely" pass a formal resolution expressing regret to the people of the U.S. and other countries Japan fought in the war. "This is a milestone," he said. (T.R. Reid, Washington Post, A1)

B-2 CONTRACTOR PROBED FOR LINKS TO JAPANESE FIRM

The Bush Administration has widened an inquiry into whether a Japanese conglomerate has taken control of a Florida computer firm that works on top-secret Pentagon weapons technologies.

Administration officials said a multi-agency committee headed by the Treasury Department launched an inquiry last week into the business relationship between Nippon Mining Co. of Tokyo and Encore Computer Corp. of Fort Lauderdale. Encore works on some of the Pentagon's most advanced aerospace projects, including the F-117 and B-2. (Rowan Scarborough, Washington Times, A3)

SENATORS WANT KHMER ROUGE BARRED FROM REGAINING POWER

Fifty-five senators urged President Bush in a letter released Tuesday to seek to ensure that the Khmer Rouge does not use the Cambodia peace process to return to power. "It will be difficult to sustain congressional support for the most costly United Nations peacekeeping operation in history unless there is confidence that the process will not assist the Khmer Rouge," the letter said. (Reuter)

GORBACHEV MAKES APPEAL TO HOLD TOGETHER SOVIET UNION

MOSCOW -- Warning of possible inter-republican wars and "a catastrophe for the whole world community," President Gorbachev issued another desperate appeal Tuesday to the republics to join together in a "confederative, democratic state." But for all the passion of Gorbachev's latest appeal, it came even as some of the president's close, longtime associates are saying privately that the time has come for Gorbachev to step aside. "I don't know what his aides are telling him," one official said Tuesday, "but some of them are telling each other that it's time to go."

(Paul Quinn Judge, Boston Globe)

FEMALE COMBAT PILOTS? NOT YET

The Pentagon said Tuesday it will delay for at least a year a decision on letting women compete for combat pilot jobs. Spokesman Pete Williams said Secretary Cheney will not order any change until after a report is filed by a newly empowered presidential commission on the assignment of women in the military.

(Rowan Scarborough, Washington Times, A1)

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OPTIMISM ON WORLD TRADE PACT

Negotiators are making progress in the long-stalled talks on freer world trade in agriculture, two Bush Administration officials said Tuesday, despite the lack of tangible results....

"Differences are being narrowed but there are still some very tough differences remaining -- not as many as we had in the past but enough to be worrisome," Amb. Hills told reporters after a speech.

Secretary Madigan said during a news conference there were signs that Europe was willing to consider new proposals.

(Charles Abbott, UPI)

U.S. OBJECTS TO FUNDING THIRD WORLD ENVIRONMENT PROTECTION

PARIS -- The U.S. broke ranks with other industrial nations Tuesday over how to finance environment emissions blamed for global warming, diplomats said.

Despite the rift, environment and aid ministers of the Organization for Economic Cooperation and Development adopted guidelines linking aid to environmental protection. Delegates leaving the two-day meeting said the U.S. objected to giving extra money to developing countries for ecology programs.

(John Chiahemen, Reuter)

NETWORK NEWS

(Tuesday evening, December 3)

SUNUNU RESIGNATION

ABC's Peter Jennings: There are three men in the headlines tonight: Alann Steen, a former American hostage now on his way from the Middle East, five years after he was kidnapped; Terry Anderson, the last American hostage, who, it is virtually certain, will be a free man within days, if not hours; and John Sununu, President Bush's chief of staff in the White House, who has been forced to resign. We're going to begin with Mr. Sununu, who's letter of resignation today makes it clear the White House is under enormous pressure to improve President Bush's political fortunes.

ABC's Brit Hume:

(TV coverage: President Bush and Chief of Staff Sununu departing Air Force One)

When the President got off the airplane in Florida this morning, his mission to listen and learn about the economy had been overtaken by the handwritten letter he had just been given by his chief of staff. It was promised yesterday, but only the two men knew about it. In this pre-election political season, Sununu wrote, "...perceptions that can be effectively dealt with at other times can be -- and will be -- converted into real political negatives. And I would never want to...be a drag on your success." So he was quitting, he said, but added, "I assure you that in pit-bull mode or pussycat mode (your choice as always) I am ready to help." The President's reply, written on the airplane this morning, accepted "...with reluctance, regret and a sense of personal loss."

(TV coverage: President Bush and Sununu on tarmac; Bush reboarding Air Force One)

The plan is for Sununu to step down as chief of staff by the end of next week, but to stay on as Cabinet-rank counselor to the President until March 1st -- after the New Hampshire primary, in which the President may need the former New Hampshire governor's help. Sununu insisted he leaves with no regrets.

(Chief of Staff Sununu: "I knew the rules of the game when I came to town. I'd always told him that if I could serve him best by being in the job, I wanted to be in the job, and if I became a political burden I'd be willing to leave. And he's going into a campaign; he doesn't need an extra political target that folks would be shooting at, and I think it's best for the President that I move on.")

Few in Washington would disagree that Sununu, whose high-handed style had alienated even natural allies on the Republican right, had become a burden to a President under fire for troubles at home. But Sununu had seemed slow to recognize that, trying as recently as last week to save his job.

(Sen. Dole: "Well, he called me on, I think it was Wednesday. He just said, you know, if I thought he was doing a good job, he'd appreciate it if I could pass it on to the President -- said it was fairly urgent -- hopefully by the weekend. So I did it.")

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Hume's report continues:

(TV coverage: George W. Bush at microphone)

But by then, Sununu had been told by Bush's eldest son, George W., that he was in deep trouble, a message Sununu apparently could not ignore.

(TV coverage: File footage of President, Vice President, Chief of Staff and Secretary Skinner in Oval Office)

Speculation on a successor now centers on Transportation Secretary Skinner, a seasoned GOP political operative and long-time Bush ally. But it was by no means clear that Skinner or anyone else could easily fill the Sununu void, not just as a whipcracking chief of staff but also as a certified conservative. GOP conservatives trusted Sununu ideologically even if many disliked him personally, and Bush will need their support next year. So while Sununu's departure solves one problem, it creates others. (ABC-Lead)

NBC's Tom Brokaw: John Sununu was the second-most powerful man in the White House, and he did not hesitate to use that power bluntly. But tonight, the President's chief of staff is out, saying that he resigned so he wouldn't be a drag on the President's success.

NBC's John Cochran: Sununu quit, but only after a fight. It was a little like the last days of Richard Nixon here at the White House, when he too also left, but only after others convinced him he had no other options.

(TV coverage: President Bush and Chief of Staff leaving in cars)

When the President and Sununu left this morning for a trip down South, they both knew there would soon be a new chief of staff at the White House. By the time they arrived in Florida, Sununu seemed almost relieved the ordeal was over.

(TV coverage: Sununu speaking to woman in receiving line)

He had just given Bush his handwritten letter of resignation. It was vintage Sununu. Still feisty, he blamed his downfall on "distorted perceptions." At the last stop in Mississippi, Sununu said he did not want to be a drag on Bush's re-election campaign next year.

(Sununu: "And I always told him that if I could serve him best by being in the job, I wanted to be in the job, and if I became a political burden I'd be willing to leave. And he's going into a campaign; he doesn't need an extra political target that folks would be shooting at, and I think it's best for the President that I move on.")

Although Sununu loved to joke that he was just a pussycat, it was his personality, invariably called abrasive, that rubbed Washington's power brokers the wrong way. He could have survived that.

(TV coverage: Chief of Staff Sununu and aides seated in Roosevelt Room)

But George Bush began losing confidence in him during the flap over Air Sununu, his use of government transportation for personal travel. A series of political blunders followed, none bigger than when Bush's unscripted remarks on credit card interest rates scared Wall Street.

(TV coverage: President Bush giving speech to business group)

Presidential aides are supposed to take the fall for their bosses. But Sununu blamed Bush.

(Sununu, on "John McLaughlin's One on One": "The President ad-libbed.")

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Cochran continues: Sununu never seemed to realize that even if he was right, he was being disloyal to Bush.

(TV coverage: President Bush and Sununu getting out of cars) Last week the President sent Sununu strong hints he should resign. But Sununu held out until yesterday. Sources tell NBC News that Sununu's own deputy, Andrew Card, led a three-man delegation to Sununu Monday telling him he had to go. Today, conservatives who fought for Sununu to the end were disappointed.

(Rep. Hyde: "I think the conservative wing of the Republican Party, at least on Capitol Hill, has lost a very important link.") At the top of the list to succeed Sununu: Secretary Skinner, who knows Bush and Washington well. Also Secretary Cheney, who doesn't want the job. Long-shots include former New Jersey Governor Tom Kean and former Minnesota congressman Bill Frenzel. Democrats quickly said Bush's problem is not his chief of staff but the nation's stagnant economy.

(Rep. Gephardt: "And I'm afraid that changing the nameplate at chief of staff at the White House is not going to change that in any appreciable way.")

Sununu himself will be around until at least next March in the new Cabinet-rank job of counselor. And he says he would like nothing better next year than to do for the Democrats this time what he helped do to Michael Dukakis in 1988. (NBC-Lead)

CBS's Dan Rather: President Bush dumps his chief of staff.... John Sununu is out as President Bush's chief of staff. He was, in effect, fired this afternoon, blamed for the political and policy disarray surrounding Bush, including the President's policy, or lack of one, on the economy. Confusion and apparent indecision surround the choice of a successor.

CBS's Susan Spencer: What finally may have done it, after months of intense pressure on Sununu to quit, was a heart-to-heart conversation he had with the President's son, George Jr., last week, in which George Jr. suggested that Sununu might want to resign, saying he was hurting Bush.

(Sununu: "He's going into a campaign; he doesn't need an extra political target that folks would be shooting at, and I think it's best for the President that I move on.")

But there was no hint of that this morning.

(TV coverage: President Bush and Sununu in receiving line)

On a swing through the South, Sununu made sure he was in the picture. The President issued a statement of full support; the Vice President went even further.

(Vice President Quayle: "I work with him every day, and I know of his total dedication to this President." Reporter: "Will he continue indefinitely in the job, do you think?" Vice President: "Absolutely.")

In a five-page, handwritten resignation note just a few hours later, Sununu said that until recently, "I was convinced that even with the distorted perceptions being created, I could be a strong contributor." Few others shared that view. Some had hinted that they would stay away from the re-election campaign if Sununu ran it. He seemed to acknowledge that today.

(Sununu: "As it started to get partisan, or as it would start to get partisan, I'm not gonna be here to cause a problem for the President.")

Spencer's report continues:

(President Bush, on Air Force One with Sununu behind him: "In a sense, I think he's handled it so well, I must say that you're talking about a class act.")

Historians will not lack examples of what caused problems for Sununu.

(File footage of Sununu, in car: "I'm a pussycat.")

Far from it. The abrasive chief of staff alienated many fellow Republicans during last year's budget deal. He compounded his high-handed image when he was caught using military airplanes for personal trips, even to his dentist. Recently, in an unheard-of gaffe, he blamed Bush for an off-hand comment that led to a slide on Wall Street. And he was behind a recent memo on civil rights that alienated Bush's supporters the very day the bill was signed.

(Rep. Hyde: "That job is the number-one flak-catcher in the country, the chief of staff. And when you catch enough flak, sometimes you get weighted-down.")

(Sununu: "I couldn't have had three better years. I've enjoyed it. I knew the rules of the game when I came to town.")

(TV coverage: Sununu walking to Oval Office; aides applauding, patting him on the back)

And, as you saw, White House staffers gave Sununu a warm welcome tonight, now that he's out. But in fact, many conservative Republicans will mourn his absence. He'll stay on as an informal adviser to Bush through mid-March.

Rather discusses the resignation with Spencer:

Rather: Betting on a successor: Sam Skinner? Fred Malek? Bob Teeter? Rich Bond? Who?

Spencer: There are a lot of horses out there, but right now the transportation secretary, Samuel Skinner, is thought to be the front-runner. He has a reputation for being competent and, perhaps even more importantly, a reputation for being able to get along with people. In this muddled White House right now, that would be a very refreshing change.

Rather: And a long-time friend of the President. (CBS-Lead)

Brokaw interviews Rep. Gingrich on the Sununu resignation.

Brokaw: On "Meet the Press" on Sunday, you said Sununu was in trouble not because of his ability but because he's a conservative. Now that the President has accepted his resignation, are you saying, in effect, that the President has caved?

Gingrich: No. I talked to John four or five times over the last week. I think that the battering he and his family was taking, the emotional toll of being the target every day, got to him. And I think he's also sincere. If he's going to become the issue in the '92 campaign, he's better off not to be there rather than to be an easy target for weakening the President. But I also think, frankly, that this President is going to appoint a chief of staff who is going to continue to fundamentally be conservative, and you're going to continue to see the same basic policy. So in that sense, I think some of our liberal friends are going to be very disappointed at whoever Sununu's replacement is.

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Brokaw: But by all accounts right across the board, the Administration's economic policy is chaotic, and you cannot very well absolve John Sununu of the blame for that.

Gingrich: I'm not trying to. I've been actively working with the Administration to get them to do a more aggressive economic policy. I think in the last week, in fact, you know, we've worked very closely with the White House in moving to a much more active effort to pass a tax cut, and I hope that whoever the new chief of staff is will continue to work to try to get some tax cuts through the Congress and to try to get the economy moving. I'm not absolving anybody of not having moved as fast as some of us would like to.

Brokaw: On "Meet the Press," you also took a shot at the Senate Republican leader, Bob Dole, calling him a "pre-Reagan Republican" because he opposes the idea of a tax cut. With Sununu now out of the White House, do you think the chances of your tax cut are less, not greater?

Gingrich: I think that the President himself has for three years been asking Congress to pass tax cuts. The President wants an economic growth package. If we could get it quickly, that would be good; if we can't get it quickly, I'll tell you flatly: whoever the chief of staff is, this President, in the State of the Union, is going to be fighting for economic growth. He knows this economy's got to recover from the recession. That's going to happen without regard to personality. (NBC-2)

ABC's Jeff Greenfield reports on Sununu's tenure. Sununu violated the first rule of survival in Washington: never make more enemies than you absolutely have to. Cabinet members complained Sununu was denying them access to the President. During the contentious 1990 budget negotiations, Republican congressmen complained Sununu was treating them with disdain, even contempt. And when Sununu ran into a storm over his use of government aircraft for personal travel, there were few allies to defend him. He became fodder for the late night TV comedians and the editorial cartoonists without political protection. Finally, Sununu broke the cardinal political rule: Never blame the boss. When the stock market tumbled after a Presidential suggestion to lower credit card interest rates, Sununu didn't shoulder the blame. He pointed to the President. (John McLaughlin, on "John McLaughlin's One on One": "How did it get in?" Chief of Staff Sununu: "The President ad-libbed.") (ABC-2)

HOSTAGES/STEEN

ABC's Charles Glass reports on the Steen release. Syria brought him to Damascus and presented him to reporters under a portrait of President Assad as though Syria had had a role in freeing him. Meanwhile, Steen said he had spent his first years in prison with the three other academics kidnapped alongside him in January 1987 by a group calling itself the Islamic Jihad for the Liberation of Palestine. But in adjoining rooms, he said, he heard hostages Joseph Cicippio and Terry Waite, who were held by groups using two different names. Steen thus provided more evidence that the so-called groups were cover names or operational units of one organization: Hezbollah, created and financed by Iran. Hezbollah now appears ready to free Terry Anderson -- the expectation from a variety of sources is it will be soon. -more-

Jennings reports Joseph Cicippio said today he was chained outdoors during two winters, suffering frostbite to his hands and feet. He said he still has dizzy spells from being clubbed unconscious when he was captured five years ago. (ABC-4)

NBC's Ed Rabel reports on the releases. The rapid releases of hostages Cicippio and Steen add credence to today's prediction from a fundamentalist source that Terry Anderson is coming out tomorrow morning. Steen, meanwhile, had been beaten severely by his captors once after he tried to escape, according to a former captive. As he left the U.S. ambassador's residence, bound for Germany and medical examinations, Steen described his living conditions.

(Steen: "The last place was a meter below ground, on a very rough concrete floor. Basically, it was not very comfortable at all. It wasn't meant to be.")

Doctors who examined Joseph Cicippio said he was in good physical shape despite what he's gone through. (NBC-3)

CBS's Peter van Sant reports on the Steen release and Joseph Cicippio's condition. Cicippio, doctors said today, is suffering from his years in captivity.

(Dr. Uwe Fulmeister, USAF hospital: "We have no idea, no idea what the illness was, and no idea what the surgery [he had while in captivity] was.") (CBS-4)

ABC's John McWethy reports on what the captors have demanded and what they finally got. Sources say they have gotten a guarantee of safety from the two countries in the neighborhood who might want to retaliate: Syria, because it is tired of Iranian-backed groups operating in its own backyard, and Israel. The Israelis have also agreed to free all the remaining Lebanese prisoners they are holding if Hezbollah will provide details of Israeli soldiers missing in Lebanon and the return of the one who may still be alive. Since the Gulf War, both Syria and especially Iran have been pressing hard for release of the hostages because that issue, more than any other, has prevented them from developing badly-needed economic ties to the West. Just this week in the Hague, the Bush Administration provided Iran with \$278 million frozen by the U.S. after the takeover of the American Embassy in 1979. The State Department says it was just a coincidence that the dispute was settled this week. In fact, the Administration denies that it made any deals to free the hostages. But it has encouraged any country that could help to do so with America's blessing. And those who have helped, U.S. officials are making clear, stand to gain in the months and years to come. (ABC-3)

NBC's Keith Morrison reports on the Steen family's reaction to Alann's release. (NBC-4, ABC-5, CBS-5)

Brokaw interviews Thomas Sutherland. Sutherland says he had a radio for the last two-and-a-half years in captivity, in the last six months a short-wave radio. (NBC-5)

MIDEAST PEACE TALKS

Brokaw reports the Arab delegations, including the Palestinians and Jordanians, arrived in Washington for the peace talks, convening tomorrow even though Israel says it will not attend until Monday.

-more-

Rather reports that in a move sure to rankle President Bush, the Israelis now say they'll only send delegates to talk to the Palestinians and Jordan, leaving Syria, which is being courted by President Bush, to wait even longer. (NBC-6, CBS-3)

U.N. HEAD

Jennings reports that Boutros Ghali of Egypt has been sworn in as the new U.N. Secretary-General. He told the General Assembly today that the U.N. should encourage democracy everywhere, but that it must not see democracy as a magic potion which will cure all ills.

Rather reports Ghali said he will work to ease the plight of Third World countries and "of people denied their inalienable rights." (ABC-6, CBS-8)

MANDELA/SANCTIONS

Rather reports Nelson Mandela addressed the U.N. General Assembly today, saying sanctions against South Africa should stay in place until apartheid is gone. (CBS-9)

GORBACHEV, UKRAINE

Jennings reports President Gorbachev went on Soviet television in to plead that the remaining Soviet republics must sign a treaty that keeps the union together or it could be a catastrophe for all mankind. Gorbachev warned that the country's disintegration could lead to war among the peoples who make up the USSR. (ABC-7)

Rather reports Gorbachev's speech brought no response from the Ukraine, where they're celebrating their break from the Kremlin.

CBS's Anthony Mason reports from Moscow. Gorbachev did not once mention the Ukraine or acknowledge its vote for independence. Final results show more than 90 percent of Ukrainians voted to break with Moscow Sunday. Newly-elected President Kravchuk did get one congratulatory phone call:

(President Kravchuk, through interpreter, on phone: "I can hear very well, Mr. President. I welcome you. I'm sincerely grateful to you, Mr. President.")

It came from President Bush. Gorbachev increasingly looks like a man alone. When his central government ran out of money last week, Boris Yeltsin's Russian government had to bail him out.

(U.S. Ambassador Strauss: "There's no question that the Russian government is a driving force. When you control the checkbook, the pocketbook, when you have that you have power, and President Yeltsin is a strong, popular man.")

Yeltsin has recognized Ukrainian independence and will meet with Kravchuk in Minsk this weekend. Kravchuk wants to propose a kind of common market, with its headquarters away from Moscow. So far, Gorbachev is not on the guest list for the "Minsk summit." (CBS-2)

PEARL HARBOR

ABC's Mike von Fremd reports on how the two senior military commanders in Hawaii at the time, Adm. Husband Kimmel and Gen. Walter Short, were blamed for not being ready when Japan attacked Pearl Harbor.

-more-

Von Fremd continues: They were found guilty of dereliction of duty, reduced in rank and forced to retire. However, in 1944 a Navy researcher discovered that British and U.S. intelligence had intercepted Japanese messages about the impending attack, but never told it to Kimmel and Short. Congress investigated and cleared them of wrongdoing, but the War Department insisted they were still responsible. The commanders' sons have enlisted influential allies to get their fathers' names cleared, including the Pearl Harbor Survivors' Association, five senators and 32 senior naval officers.

(Adm. William Crowe: "It's the ideal time to correct this injustice. It truly is. And I hope the country and the President will take advantage of this time to do it.")

Last week the White House sent Jim Kimmel a letter praising his father, but saying that to restore his rank would be to reverse the course of history. Both sons are still writing letters, but they are losing hope. (ABC-12)

NBC's George Lewis reports on how Japan entered into worldwide war and conquest in the 1930's and 1940's. Japanese then and now viewed themselves as victims, not aggressors, and explained away the pain, suffering and loss of life with a common Japanese expression meaning, "fate -- what's the use." (NBC-9)

JAPAN/TRADE

CBS's Wyatt Andrews reports on the economic battle against Japan. America's most valuable industries are in decline. Even the U.S. lead in semiconductors has been overtaken. America, on balance, has lost millions of high-wage manufacturing jobs to Japan and replaced them with jobs of lesser value. Japan's answer: Lighten up -- Japan did not run up the U.S. budget deficit and it did not ship jobs to Mexico. There is no conspiracy.

(Hiroshi Hirabayashi, Japanese Embassy: "I'm afraid that some of the criticisms are based on the unjustifiable argument that Japan is a threat to the United States.")

(Rep. Gephardt: "If they make it difficult to get our cars into Japanese auto dealerships, then let's make it hard for them to get their cars into dealerships, so they face exactly a mirror image of what they're doing to us.")

The Japanese fear that Americans, desperately seeking scapegoats, will blame all economic evils on Japan. But the warnings are out there that America is losing the ability to stay wealthy. (CBS-15)

HOUSING, LEADING INDICATORS

Jennings: In economic news today, a little to cheer about, but not much. The housing industry is one of the few areas where there are signs of life, and last month's new home sales were up 2.2 percent. Looking ahead, the government's Leading Economic Indicators was almost flat last month, up just one-tenth of one percent.

Rather reports the main reason for the Index's poor showing was a huge drop in consumer confidence. (ABC-8, CBS-7)

CHILDREN/FRANCE

ABC's Carole Simpson reports on government care of children in France, which is much better than the U.S.'s care. (ABC-11)

-End of B-Section-

EDITORIALS/COLUMNISTS

ECONOMY

Shopping With George -- "George Bush's shopping excursion to a suburban store last weekend was a cute piece of Presidential symbolism but it was too little, too late and...too silly for words.... The economy had caught Bush in a bind. While others are hurting, he dare not seem to be rubbing their noses in it by spending wildly, nor does he dare patronize one of the upscale stores. So Bush wound up going to a J.C. Penney's, where no one will believe a millionaire President really does his Christmas shopping.... The nation's economic needs are far beyond reach by a Presidential photo op." (Atlanta Constitution, 12/3)

Gingrich Steals Bush's Yule -- "President Bush's recent vacillation on domestic policy issues was never more conspicuous than when he apparently swallowed a last-minute tax-cutting ploy served up by maverick Republican Rep. Gingrich.... What Gingrich succeeded in doing, with Bush's help, was embarrassing the President and adding to the already strong impression that the White House policy-making apparatus is in disarray.... With members of Congress, including Rep. Gingrich, out of town for a month, maybe the President can get his act together in time for his State of the Union message." (New Orleans Times-Picayune, 12/2)

The President's Inept Tax Plan -- "Desperate. Inept. Unpresidential. Pick your own adjective for President Bush's 24-hour turnabout on tax cuts..... His leaps to legislative madness invites suspicion that his calculations were driven by politics, not economics.... The President would be hard-pressed to draw up a sillier plan to fight the recession." (New York Times, 11/29)

George Gets The Message -- "His new-found enthusiasm for the Kasten-Weber tax cut plan proves the President can still read opinion polls. Now if he can just translate that fervor into active support for the program, he may yet salvage what seems to be a bewildering, if not a sinking, Administration.... White House aides can no longer afford...complacency. The latest survey results show that only one in four Americans now approves of Bush's handling of the economy. Such skepticism spells one-term Presidency, in large letters.... Congressional Democrats will fight Kasten-Weber, and the President will have to go to the mat to get it passed. But look what working with a Democratic-dominated Congress has gotten him to date." (Boston Herald, 11/27)

Anybody Know Which Way Up? -- "...President Bush seemed to be conceding leadership on tax policy to House Republicans. In fact, he created an opening into which Speaker Foley and Rep. Rostenkowski quickly plunged.... It would be a good idea at this point for everyone to back off and drop the schoolyard taunts and challenges.... An economic stimulation package may well be needed, but a package motivated by opportunism and gamesmanship is not likely to do the nation a lot of good." (Los Angeles Times, 11/28)

The Leadership Thing -- "President Bush is in trouble because...he shows limited capacity for dealing with the [troubled economy].... With adequate leadership by Bush, Congress might have completed work on [transportation] legislation much earlier this year -- when it would have moved dollars quickly into the economy.... Instead, the Administration concentrated its energies in opposing a five-cent increase in the gasoline tax that would still have trailed inflation.... That Bush fails to grasp the economic implications of the situation may not be surprising for someone as preoccupied as he is with international issues; perhaps he is also a bit blinded by his affluent background." (Boston Sunday Globe, 12/1)

U.S. Needs Short And Long-Term Plans -- "...The nation's economy faces two simultaneous problems. One is short-term -- the recession. The other is long-term -- stimulating solid economic growth that gets the country back in competitive stride.... It is our feeling that the nation cannot go both directions at the same time. What is needed is a quick boost -- possibly through tax cuts as well as job-producing legislation such as the just-passed transportation bill -- to speed recovery from recession, and then implementation of an agreed-upon program to encourage long-term growth.... But what we don't need is a series of easy quick fixes." (Fort Worth Star-Telegram, 11/29)

Administration Doesn't Know How To Spur Economy -- "...The moribund proposal to cut the tax rate on capital gains is a slim reed upon which to hang a White House policy to revive the nation's economy. President Bush admitted as much when he said he is trying to think of some other proposals to present in his State of the Union.... People who have significant capital tend to be neither poverty-stricken nor struggling to retain their position in the hard-pressed middle class.... No one in or out of the Administration knows quite what to do to improve the economy.... Perhaps the best thing Bush can do for the economy is to admit that there's little that government can do in the short run and urge Americans to take a longer view..., place a priority on long-term investments -- such as the space station and super collider -- while shoring up the nation's crumbling infrastructure." (Houston Chronicle, 11/25)

No Time For Panic -- "...President Bush...has been slow to recognize the lingering severity of the business slump that began 16 months ago.... For now, the key to an economic recovery is held by the Federal Reserve Board.... The Fed has been easing lately, but not enough.... The bottom line is that consumers, given stable prices and falling interest rates, are more resilient than we think they are. This is no time to rush into quick-fix rescue missions we might later regret." (Scripps Howard, 11/27)

And Now: George Herbert Hoover Walker Bush? -- "...President Bush may be right: the economy may pull out on its own. In any case, there's little Bush can do: with federal deficits so big, there's no room for pump-priming spending or tax cuts. But Americans increasingly sense the economy is out of control. Without more of a showing that Washington is confronting the problem, that pessimism will turn into slow retail sales, reduced production, prolonged unemployment -- and yet more pessimism.... If Bush won't step up to the plate, the American people have every reason to call in a pinch hitter when they vote in 1992." (Newsday, 11/20)

Have Mr. Bush Do What? -- "Because there is lingering recession..., Democrats in Congress have taken advantage of the situation by charging that President Bush has no domestic program. It would be much closer to the truth for [them] to confess that many of the excesses they have imposed have helped create the problem -- and that they have refused for years to act on constructive domestic proposals that the President has made. The worst mistake Bush made was to go along with the insistence of the liberal congressional Democrats to raise taxes, despite his pledge not to.... But we should blame the liberal Democrats for holding his feet to the fire for more taxes.... It is really up to Congress -- and the rest of us -- to cure recession." (Chattanooga News-Free Press, 11/25)

Malaise, And How To Escape It -- "The recent spate of policy flip-flops by President Bush has set alarm bells ringing in Washington: Just who's in charge nowadays?... A weak Presidency can create a dangerous vacuum of power. If Bush hopes to prevent a national crisis of confidence -- and avert Jimmy Carter's fate as a one-term president -- he must articulate a moderate, mainstream message of leadership.... Bush is now paying the political price for never having clarified 'the vision thing' that would motivate his Presidency." (Cleveland Plain Dealer, 11/24)

Bush In Bad Times -- "Almost three years into his Presidency, Bush has yet to convey a clear message of who he is, what he stands for and how committed he is to his convictions -- if he has any. His brand of pragmatism...now appears as little more than a triumph of politicking over policy.... Doubts arise about how well he understands the American people or their needs and aspirations. He gives the impression of being an elitist extraordinaire who is stranded with his own misguided instincts or those of White House ideologues who serve him badly. These judgments are offered with a deep sense of dismay because no one on the Democratic side has emerged as an acceptable alternative." (Baltimore Sun, 11/24)

President Bush Cannot Afford To Be Seen As Floundering Or Uncertain -- "President Bush may remain a lion on the global stage. But he is being perceived as more and more lamblike domestically.... The last word from the White House is that Bush intends to outline an unmistakably clear domestic agenda in his State of the Union Address in January. Most Americans don't want to wait. They want to see a President with clearly defined goals and a clearly defined strategy for achieving them.... The fact is that Bush does have a workable, sensible domestic agenda.... But until he articulates and re-articulates his purposes and demonstrates a willingness to fight to the finish on their behalf, he is going to be accused of floundering." (Cincinnati Enquirer, 11/24)

Who's Got The Program? -- "President Bush has interrupted his foreign travels long enough to study the nation's economic woes and decide who is to blame. That's right, it's those obstructionist Democrats in Congress.... [That] might make sense if Bush actually had a program. Oh, he says he has a program.... [But] the capital gains tax would mostly benefit the rich.... Enterprise zones?... They're pie in the sky.... Interest rates? Lower them and there will be a flood of capital leaving the U.S.... Before Bush whines about Congress any more, he ought to have something of substance to complain about." (Des Moines Register, 11/15)

-End of News Summary-

--- Wednesday --- December 4, 1991 ---

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--- THE DAILY BRIEFING ON AMERICAN POLITICS ---

Updated Each Morning At 11:50

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282 North Washington Street, Falls Church, VA (703) 237-5130

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WHITE HOUSE '92

ORANGE SLICE: Clinton to talk economic growth to Orange Co. business leaders, Bush backers. (#7)

LET ME CHECK MY CALENDAR: Cuomo says he needs to get in by 12/20 NH filing date, then backs off. (#8) Kerrey through the looking glass (#10), Harkin to the working class. (#9)

DAVID DUKE MEETS HIS CREATOR

Announces campaign plans at National Press Club today. (#5)

MORE CALIFORNIA FAULT LINES

Wilson recall effort an odd coalition; group needs 923,000 signatures by 1/16. (#17)

NJ: GOODBYE PRESENT (#15)

Outgoing Dem majority beats incoming GOP to the punch, is rolling back Florio tax hike.

WA SEN: LOWRY IN? (#13)

APOLOGIES ALL AROUND (#18)

With Japanese "remorse" over Pearl Harbor in the news, 46% in CBS/NYT/TOKYO poll say don't apologize, because we won't.

SPOTLIGHT

SO NOW WHO?

Whether it's Skinner to CoS, Skinner to DoD and Cheney to CoS, Skinner to campaign together with "low profile" CoS, or a Bush surprise, the fire/hire is certain to raise questions:

Will it expose the White House staff as "Sununu and a thousand interns?"

Will the new pick meet conservative litmus tests?

Does it make Quayle THE inside conservative? Does it inoculate Kemp?

What does it do to Pat Buchanan? Convince him of his impact? Or dry up NH's anti-Sununu fever?

Will he really go quietly or will he have more to say tonight on Larry King Live?

Few mourn: "What goes around comes around ... Will Rogers never met John Sununu ... etc." (#1,#2,#3)

===== QUOTE OF THE DAY =====

"It was a graceless toppling, not unlike the falling of a Stalin statue in Moscow, and it caused more sighs of relief than tears of regret."

-- James Gannon, DETROIT NEWS, 12/4. (#2)

THE APN BULLETIN BOARD

FROM TODAY'S GREENWIRE: Green Party drive to make CA ballot comes down to the wire. Will they drain Dem votes?
FROM TODAY'S DAILY REPORT CARD: A view on standardized tests from one test writer; and Dem pique over the strategy.
FROM TODAY'S ABORTION REPORT: Pro-choice Rep. Mel Levine's (D-CA) absence from Title X override vote raises eyebrows.

HOTLINE/DATABASE INDEX

WHITE HOUSE '92

SUNUNU RESIGNATION: TV coverage. (#1)
SUNUNU RESIGNATION: Print coverage. (#2)
SO NOW WHO?: Skinner, Skinner, Skinner and also ran. (#3)
BUSH: Southern swing overshadowed by Sununu exit. (#4)
DUKE: Announces today at Press Club. (#5)
GOP ROUND-UP: Buchanan, Kemp, Hawaii. (#6)
CLINTON: The Orange County Democrat. (#7)
CUOMO: "I never said ... ". (#8)
HARKIN: Makes health care pitch at NH forum. (#9)
KERREY: A day for social reflection. (#10)
DEM ROUND-UP: Brown, IA, primary pre-season, poll. (#11)

SENATE WATCH

IL: GOP may have found a willing challenger. (#12)
WA: Is Lowry pulling a Cuomo? (#13)
WI: Dollar chase makes Moody miss reform vote. (#14)

HOTSPOTS

NJ: Lame duck Leg. Dems may repeal Florio tax hike. (#15)
UT: Cook announces '88 redux. (#16)

CALIFORNIA CABLE

WILSON: Facing recall effort. (#17)

CBS/N.Y. TIMES: U.S.-Japan relations 50 years after Pearl. (#18)

TV MONITOR (#19)

Bushonomics ... Lots o' Leno.

???? OVERLOOKED ???? ?

A PAC to recall Gov. Pete Wilson (R-CA) is selling white T-shirts with your choice of three colors for the lettering: "Aqua, Florescent Lime Green, and Hot Pink." Honest. (#17)

*1 SUNUNU RESIGNATION: TV COVERAGE

ABC: Brit Hume: "Sununu, whose high-handed style alienated even natural allies on the [GOP] right, had become a burden to a president under fire for troubles at home." Sen. Min. Leader Bob Dole: "He called me ... and he just said, if I thought he was doing a good job, he'd appreciate it if I could pass it on to the president. Said it was fairly urgent" (12/3).

NBC: John Cochran: "It was a little like the last days of Richard Nixon here at the [WH], when he too also left, but only after others convinced him he had no other options. ... [The resignation letter] was vintage Sununu. Still feisty, he blamed his downfall on 'distorted perceptions.' ... Sununu's own deputy, Andrew Card, led a three-man delegation to Sununu yesterday, telling him he had to go" (12/3).

CBS: Dan Rather: "He was, in effect, fired this afternoon. Blamed for the political and policy disarray surrounding Mr. Bush, including the President's policy, or lack of one, on the economy." Susan Spencer: "Some [WH officials] had hinted they would stay away from the reelection campaign if Sununu ran it.

... [WH] staffers gave Sununu a warm welcome tonight, now that he's out" (12/3).

"MACNEIL/LEHRER": TIME's Dan Goodgame, reading from Sununu's resignation letter: "'I assure you, that in pit-bull mode or pussy cat mode, (your choice as always), I am ready to help.' And this is John Sununu's way of saying, I always did just what you wanted me to." Mark Shields: "Bush is dropping like a rock, and it's a lot easier to change personnel than it is to change policies ... I was reminded of a button that legislators used to wear in [NH]: 'Will Rogers never met John Sununu'" (PBS, 12/3).

CNN: Charles Bierbauer: "Sununu says his role in his remaining days at the [WH] will be to get the State of the Union address in shape with its promised economic message. Then, Sununu says, he might just go out and do to whatever [Dem] runs in '92 as he did to Michael Dukakis in 1988." Frank Sesno: "Sununu committed Washington's cardinal sin: He alienated people needlessly -- potential allies, power brokers who would not forget" (12/3).

"NIGHTLINE": ABC's Jeff Greenfield: "Sununu didn't suffer fools gladly, and his definition of fool seemed to include anyone who disagreed with him." NEW REPUBLICS' Fred Barnes: "This will help Bush for a week." Ed Rollins: "The last four weeks have been as great a disarray as I've seen in any [WH]." Ex-CoS Howard Baker: "It's a lifetime between now and November 1992 ... I think [Bush] has a very clear idea about what he wants to do ... The president has one single responsibility in the time remaining [before the election] ... and that's to make sure his program for the second term is clearly stated and clearly understood" (ABC, 12/3).

"LARRY KING LIVE": ABC's David Brinkley: "Sununu began making enemies the minute he arrived in this city. He has done a lot of things to antagonize people who don't like to be antagonized ... I notice he resigned -- meaning he was fired -- when George Bush ... was out of town. He doesn't want to appear in the television pictures with him" (CNN, 12/3).

"CROSSFIRE": Ed Rollins: "John didn't take the hints. John, as early as today, was still trying to round up support

from members of Congress." Chris Matthews: "This administration finds itself in a situation that most second term presidents find themselves in. ... but it's still the first term. Usually presidents run out of agenda the second term." Matthews on the First son: "Here's the guy who had to put out the extra-marital story in 1988. ... He's a hardballer, this guy George W. Bush. The president's a different story" (CNN, 12/3).

"TODAY": NBC's Tim Russert: "I talked to seven people yesterday, all whom had spoken to the president about John Sununu ... all seven -- liberal, moderate, conservative, told the president [Sununu] had to go ... Two people in this [admin.] who will benefit enormously from this are [VP] Quayle who becomes the conservative point person in the [WH] and I think Jack Kemp is further inoculated ... there is no way the president can deep-six Kemp because of his outspokenness ... the conservatives will just not abide to that" (12/4).

*2 SUNUNU RESIGNATION: PRINT COVERAGE

N.Y. DAILY NEWS' Maureen Santini: "Sununu resigned ... following a humiliating public disclosure that he had spurned previous hints to leave from President Bush's own son" (12/4). DALLAS MORNING NEWS' Carl Leubsdorf reported Barbara Bush also decided he had become "a liability" (12/4). DETROIT NEWS' James Gannon: "The most feared and hated man in Washington fell from power Tuesday with a thud that shook the political world. It was a graceless toppling, not unlike the falling of a Stalin statue in Moscow, and it caused more sighs of relief than tears of regret" (12/4). WASH. TIMES' Ralph Hallow: "Few conservatives who have influence with the president made any attempt to save" Sununu (12/4). BOSTON HERALD's Miga/Battenfield: "dousing a GOP firestorm created by his combative style" (12/4). COX NEWS SERVICE's Andrew Glass: "scrambles the scene on the Republican right" (ATLANTA CONSTITUTION, 12/4). N.Y. TIMES' Maureen Dowd: "As his final act, the man hired by George Bush to be his political hatchet man, took a swipe at the boss" (12/4). W.S. JOURNAL's McQueen/Shribman: "He seemed to indicate that Mr. Bush's wishes had dictated the combative style that made him so many enemies in Washington. He said he remained 'ready to help ... in pit bull or pussycat mode (your choice, as always)'" (12/4). L.A. TIMES' Douglas Jehl: "Without its dominant chief, a White House staff disparaged in some GOP circles as 'John Sununu and a thousand interns' will be exposed in ways it has never been" (12/4).

SELECTED REAX: Conservative activist Paul Weyrich: "When you don't suffer fools in this town, you pay the price" (L.A. TIMES, 12/4). Rep. Dick Armey (R-TX): "I think the president really has to drop another shoe in order to get bad advice out of his senior circle and that's got to fall on Dick Darman" (HOUSTON CHRONICLE, 12/4). WASH. TIMES' Wesley Pruden: "There's blood in the water, and some of it is beginning to look like a pale shade of Yale blue" (12/4). GOP strategist Charles Black: "He probably made a few more enemies than some other people might ... and a lot of people were refusing to work with him in the imminent campaign" (N.Y. NEWSDAY, 12/4). Sen. Warren Rudman (R-NH): "Given the number of arrows fired at John Sununu, it is somewhat remarkable he was able to hold on as long as he did" (Manchester UNION LEADER, 12/4). Ex-Rep. Chuck Douglas (R-NH): "I'm not surprised. John Sununu took the position that he could be arrogant and treat everyone like manure. When he does that he's going to get some of it splashed on him ... What goes around

comes around" (BOSTON HERALD, 12/4).

*3 SO NOW WHO? SKINNER, SKINNER, SKINNER AND ALSO RAN
L.A. TIMES' James Gerstenzang quotes a source close to Bush:
"Skinner is the key man. If he wants the authority and office
of chief of staff, rather than being head of the campaign
committee, the job is his' ... On the other hand, the source
said, Bush may opt for a 'low profile' while the campaign
organization takes on greater authority" (12/4). NBC's Cochran,
ABC's Hume, CBS' Spencer, CNN's Bierbower all saw Skinner as the
most likely (12/3). Hume: "But it was by no means clear that
Skinner or anyone else could easily fill the Sununu void, not
just as a whip-cracking chief of staff, but also as a certified
conservative. GOP conservatives trusted Sununu ideologically,
even if many disliked him personally, and Mr. Bush will need
their support next year. So, while Sununu's departure solves one
problem, it creates others" (ABC, 12/3). Gergen: "Skinner is a
very ambitious, effective man. ... I can conceive of Sam Skinner
going to the Defense Department and Dick Cheney coming in to be
[CoS]. ... [But] Sam Skinner is a very, very likely choice."
N.Y. DAILY NEWS' Maureen Santini: "My sources say [he] will be
offered the job tonight" ("MacNeil/Lehrer," 12/3). CNN featured
a short Skinner profile (12/3). Skinner "has management
experience and the trust of the President, but will do nothing to
close the vision deficit" (W.S. JOURNAL editorial, 12/4). COX
NEWS' Julia Malone -- "widely liked by Members of Congress and by
Cabinet members" (12/4). Ed Rollins: "I think Sam Skinner would
be superb." On conservative demands for a conservative CoS,
Rollins: "The bottom line is, conservatives are not going to be
satisfied until they're satisfied with the performance of the
president ... It's not who's on the staff, it's how well the
president performs" ("Crossfire," CNN, 12/3). W.S. JOURNAL
reports Sununu "previously" was offered the chance to switch jobs
with Skinner but turned it down (12/4). L.A. TIMES' Jehl reports
WH officials concede a Skinner appointment could mean more "anger
from the right" because he is "without strong conservative
credentials" (12/4). S.F. EXAMINERS' Chris Matthews: "Skinner
is a Bush kind of guy ... the big problem for President Bush now
is he needs a conservative in the [WH] to keep the conservative
party behind in next year's primaries." Gergen: "Skinner is a
pretty interesting, effective guy ... he is very much like Jim
Baker and that's why I think Bush is attracted to him" ("Good
Morning America," ABC, 12/4). Rollins: "I think Skinner is
certainly a front runner ... but George Bush has surprised people
in the past in his personnel picks" (CBS, 12/4).

ALSO MENTIONED: NBC's Cochran: "Also, [Sec/Defense] Dick
Cheney, who doesn't want the job. Long shots include [ex-NJ]
Gov. Tom Kean, and [ex-MN Rep.] Bill Frenzel." CBS' Rather:
"Confusion and apparent indecision surround the choice of a
successor ... Betting on a successor, Sam Skinner, Fred Malek,
Bob Teeter, Rich Bond, who?" (12/3). Dan Goodgame: "Another
name that's come up is Fred Malek" ("MacNeil/Lehrer," PBS, 12/3).
W.S. JOURNAL's Michel McQueen and David Shribman report Sen.
Nancy Kassebaum (R-KS) recommended U.S. Trade Rep. Carla Hills to
Bush (12/4). A WASH. TIMES story cites an unnamed WH official
suggesting Craig Fuller (12/4). Evans/Novak cite "moderate"
Sec/Education Lamar Alexander and wonder how he or the "non-
ideological" Skinner would sit with Sununu's critics on the right
(N.Y. POST, 12/4). Chris Matthews: "I thought Dick Cheney would
have been the perfect [CoS], because he's both a partisan, rabid

[GOper], and he's also a very good manager" ("Crossfire," 12/3).

*4 BUSH: SOUTHERN SWING OVERSHADOWED BY SUNUNU EXIT

Pres. Bush "went on the road again Tuesday, rolled up his sleeves and tried to reassure working people that he is the commander in chief of the economy" (Robert Dodge, DALLAS MORNING NEWS). On a Southern trip "that had the tone of an election campaign," Bush toured the Tropicana Orange Juice plant in Bradenton, FL, and Peavey Electronics in Meridian, MS, "two companies that are doing relatively well and are expanding sales in foreign markets." But "on a day on which the government reported more dismal economic news, Bush offered no new strategies, and his efforts were overshadowed by the resignation" of Sununu (12/4). In Bradenton, Bush "laid out his domestic issues -- bank reform, free trade, a capital gains cut, tax advantages for first-time home buyers and drug-testing in the workplace. The basic theme: Bush is not sitting idle on domestic issues -- and he's listening to the working person. Reviews were mixed" (Peter Mitchell, ORLANDO SENTINEL). "Most workers were impressed with his speech, but some were not satisfied. ... Bush's message was not picked up by the White House press corps which was more interested in Sununu" (12/4). Bush, in Meridian: "A president needs to know that the people out there are feeling the pinch of hard times, who aren't looking for just another handout but who need a hand up, and I am determined to leave no stone unturned in our effort to get this national economy on the move" (AP/PHILA. INQUIRER, 12/4). Bush did attempt to tie "his foreign triumphs to domestic concerns" to the "loudest applause of the day": "We set back aggression halfway around the world less than a year ago when we taught Saddam Hussein a real lesson. Now I want to take this new-found credibility of the [U.S.] ... and use it to get into foreign markets." Before the resignation, he was asked about Sununu at the OJ plant. Bush: "I'm here to learn about oranges" (SENTINEL, 12/4).

BEWARE THE DOUBLE-DIP: "In the most pessimistic assessment made by any senior [WH] official in recent months," economic adviser Michael Boskin said "he expects the nation's economy to continue to slump for several more months" (Risen/Gerstenzang, L.A. TIMES). In a speech to federal Ag. officials, Boskin "described an economy that is perched precariously between recovery and recession. Boskin appeared to choose his words carefully, apparently mindful of the potential political fallout from his remarks. While hesitating to characterize current conditions as recessionary, he made it clear that the economy is essentially flat and is likely to remain so until next spring.

... Another administration official noted that the [WH] now believes there is a chance that the economy may contract again, threatening to bring on a 'double-dip' recession." But Boskin and other WH aides "said that Bush still plans to wait until his State of the Union address in late January to outline an economic growth package" (12/4). Bush said he would use the speech "to ask Congress to 'set aside briefly' election-year politics to come up with a solid economic plan" (AP/PHILA. INQUIRER, 12/4). Heritage Foundation's Burton Pines, as quoted by N.Y. DAILY NEWS' Lars-Erik Nelson: "Bush could still turn this around. He could call Congress back into session, announce the country's in deep trouble and propose a major growth package of tax cuts. But he still thinks this is all just a public relations problem" (12/4).

'92 TEAM: GOP consultant Eddie Mahe's recommendation for

Bush-Quayle '92: "Make Danny Quayle chairman." Mahe feels "Quayle had only five really bad days in his life -- when he went into trauma as the choice for [VP]. But now his polls are up some, he wants work to do" As a conservative, Quayle "would be more effective than Bush himself" against Buchanan and Duke in NH. "The president would leave much of the day-to-day campaigning to Quayle, in fact. That way, a fairly good vote for Buchanan, even embarrassing [GOP] support for Duke, would impact minimally on Bush" (McDowell, RICHMOND TIMES-DISPATCH, 12/3).

*5 DUKE: ANNOUNCES TODAY AT PRESS CLUB

The ex-KKK leader/LA gov. candidate announces his candidacy at noon today at the National Press Club in DC. N.O. TIMES-PICAYUNE's Tyler Bridges recounts Duke's rise to the national stage: "The difference between Duke's 1988 race and the [pres.] campaign ... illustrates just how far Duke has come in four years. Wherever he goes now, reporters flock to him. He is able to dictate the conditions under which he will appear on television with famous interviewers such as Phil Donahue and Ted Koppel" (12/4). N.Y. DAILY NEWS' Earl Caldwell under header, "Duke stealing GOP's thunder," writes, "If Duke decides to run, his timing would be perfect because, in the hard times of now, the whole country is looking for a scapegoat. ... Play the race card right and you can make a lot of people believe it's the welfare queens stealing the money and taking the country down [not S&L or HUD crises]. And that's what Duke knows, and what [GOPers] are throwing a fit about is that he got that strategy from them" (12/4). After MD Sec/state Winfield Kelly said Duke and other hopefuls will appear on the 3/3 GOP primary ballot "unless he is told they are disavowing their candidacies," (see HOTLINE 12/3), Duke aide Mark Ellis said they are "leaning toward running" there: "We're looking real hard at [MD]. We think that the voters there are conservative." But area GOPers "reacted with alarm to a possible Duke candidacy," and Howard Co. Chair Carol Arscott said the party is "expected to pass a resolution denying Mr. Duke the electoral assistance offered to other Republicans, ranging from use of its headquarters and mailing lists to invitations to candidates' nights" (Balto. SUN, 12/4). ABC's David Brinkley: "Duke is a highly unattractive, not to say repulsive, person, even though he's had all the plastic surgery and had his hair done. ... Nevertheless, he got a majority of the white vote in the [LA] election because he was saying things about government ... he reminded me of George Wallace, who ran a campaign saying, send them a message, which is to say, tell Washington that you hate what they're doing, you don't like the way they're running the country ... he had essentially the same message" ("Larry King Live", CNN, 12/3).

*6 GOP ROUND-UP

BUCHANAN: SACRAMENTO BEE's Martin Smith notes, "While the [moderate-conservative] fight can't help but hurt GOP prospects in next year's elections, [GOP] leaders can do little to stave it off." The "flash point may occur" in NH with Buchanan, who is combining "a 1930s-like isolationism in foreign affairs with a right-wing populism on domestic issues." He could "gain a significant following during a time of economic stress," and a "strong losing effort" would "encourage the GOP right wing to continue opposing Bush," who "could end up greatly weakened for the general election" (12/3).

KEMP: FOSTER'S DAILY DEMOCRAT editorial header: "Kemp for

president? Subhead: "1996 could be the HUD secretary's year": Kemp became "the leading contender" for the '96 GOP pres. race last week "with his impassioned and articulate testimony" before the Sen. Finance Cmte. As "no one else" in the admin. has done, Kemp argued "for a cap on the capital gains tax as one of the best ways to improve the economic futures of low- and middle-income Americans." He's building a "formidable reputation" as a conservative "who is on the side of the little guy" (12/3).

HAWAIIAN PUNCH: Radio sportscaster/writer Junior Taeu, who lost a state Senate race in '84, "said he is considering running for president" and seeking the GOP nomination in the NH or CA primaries. Taeu, who also works full-time as an adviser for the Hawaii Job Corps and owns an insurance company, "said as president he would encourage more manufacturing in the [US] and try to correct the trade imbalance with Japan": "I couldn't do any worse than President Bush. I disagree with what he's doing and with what President Reagan did. ... it's about time that minorities realize they can run for the highest political office in the country if they want to -- whether they win or not is another story" (Honolulu STAR-BULLETIN, 12/2).

*7 CLINTON: THE ORANGE COUNTY DEMOCRAT

In CA, a group of "prominent" Orange Co. business leaders, including some "top" Bush contributors, has "threatened mutiny within the GOP ranks" by hosting a 12/6 breakfast with Clinton (Dave Leshner, L.A. TIMES). The invite, titled, "Looking for a Leader -- Identifying Alternatives," was sent to "several dozen business leaders" by Western Digital Corp. Chair Roger Johnson and developer Kathryn Thompson, who is a member of Bush's "Team 100" -- a group of contributors who gave \$100K to the '88 campaign. The move "was seen as yet another sign of the dissatisfaction ... with Bush over the lagging economy. That dissatisfaction has hit, it seems, even in [CA's] strongest" GOP county. The invite said "maybe" economic improvements "will have to come from new leadership ... We have talked extensively with [Clinton] and believe he would provide just such an alternative." Clinton CA finance dir. Mickey Kantor: "He has impressed not only hard-nosed [Dems] from [NH] to the South and to Montana but also moderate business Republicans in [CA]." County GOP leaders "warned that the Clinton breakfast should not be oversold as a major threat" to Bush in Orange Co. Bush backer: "Businesses are suffering and these people want to send a message -- and they will." Clinton's staff said it "expected to receive money from guests," but a Johnson spokesperson said the event "is not a fund-raiser": "It's just to hear ideas ... alternatives need to be explored." Organizers expect 25-30 people, "almost all" GOPers; but at least 2 prominent County Dems were invited. After a similar 9/19 meeting with Bush, Johnson declared, "I have told some senior Administration people ... I just wish there was a good Democrat out there for me to support. They just laugh and say I can't be serious. I say, just watch me." After reading Johnson's comments, Clinton's staff "started a series of correspondence about economic and growth issues that led" to the breakfast (12/4).

OTHER STOPS: His 12/2 NC appearances "underscored Clinton's emergence as the early front-runner" in the 5/5 primary (Rob Christensen, Raleigh NEWS & OBSERVER). He is the "only [Dem] who seems to be building a significant organization in the state ... Clinton is beginning to pick up support from mainly white Southern [Dem] leaders, who fear that another northern liberal

would harm the chances of Dixie [Dems]." Sec/State Rufus Edmisten, whose '84 Gov. bid was "damaged" by the Mondale ticket: "I don't want somebody who will drag the ticket down." Although "welcoming Southern support, Clinton said he did not want to be viewed as a regional candidate -- a perception that hurt" Gore in '88. Clinton: "I think any candidate who can win the South and the Midwest ... can carry the coasts. I don't think the reverse is true" (12/4). In Charlotte, he "polished his image as a moderate, sounding such themes as the benefits of free trade and the dangers of bloated government" (CHARLOTTE OBSERVER, 12/3). He was in WY 12/3 to pick up endorsements from Gov. Mike Sullivan and Sec/State Kathy Karpan, who serve as co-chairs of the WY chapter of the DLC (Clinton release, 11/27). In Sioux Falls, SD, organizer Ross Heupel says Clinton has "changed his ... strategy, placing [SD] higher on his priority list." A "few weeks ago, Clinton strategists were ready to concede" SD to Harkin & Kerrey, but Heupel says the state is now "wide open." The Clinton SD campaign will "purchase mailing lists and begin fund-raising immediately"; the SD cmte will be led by Dakota Wesleyan Univ. pres. Jim Beddow (Matt Cecil, Sioux Falls ARGUS LEADER, 12/3). "Bolstered by an endorsement from [WY] Gov. Mike Sullivan," Clinton "continues a swing through the Rockies" with a speech to Denver Dems today (Fred Brown, DENVER POST). In a meeting with the DENVER POST editorial board, Clinton said he's directing his campaign at "a huge, huge majority who's convinced we're not going the right direction." In the expectations game, Clinton "conceded he's at a tactical disadvantage in the early part" of the primary cycle: "Until I get out here, the early geography and demographics are against me" (12/4).

*8 CUOMO: "I NEVER SAID ... "

He started his day on "Good Day New York," saying, "If you want to run in [NH], which I would want to, then that's a date" -- referring to the 12/20 filing deadline as a drop-dead date for his decision. At a later news conference, however, he said that while skipping NH would be a "disadvantage," it would "not necessarily" preclude him from running (Kevin Sack, N.Y. TIMES, 12/4). Then, to the N.Y. POST editorial board, he "indicated ... he may skip the [NH] primary -- and still run." Cuomo: "You could theoretically run without running in [NH]." He said "while he hoped to reach a decision" by the NH filing deadline, "he wouldn't necessarily do so." One source told the POST Cuomo "could wait until January, or even a bit later." But the "tentative" FL filing deadline is 12/30, and 1/2 is the deadline for MD, CO, and TX (Frederic Dicker, 12/4). N.Y. TIMES' Sack: "Cuomo seemed to be accelerating toward a decision [12/3] ... as he backed away from the notion that he needed a state budget solution to run." When asked if he could run "without resolving [NY] budget problems," Cuomo answered, "I never said resolve them ... To say, well, you have to wait to resolve the budget means you could never run, because the budget won't be resolved until next April." He "tried strenuously to diminish the high expectations set by [recent NH] polls": "I am already falling behind everybody else." Cuomo, citing a stream of recent candidate activities: "I haven't done any of that." Sack adds, "In fact, Mr. Cuomo has done much of that. He may not have hired a staff, but [he] has spent more than 18 months honing a critique of [Bush's] domestic policy and formulating his own proposals for stimulating economic growth." He has "tested his themes and strategy" with H. Ross Perot, Ethel Kennedy, Gary Hart, John

Sasso, David Garth, and Ann Lewis. "Aides to several of the announced candidates could not stifle laughter when hearing [he] was positioning himself as an underdog" (12/4).

BUDGET MOVEMENT: "The chances increased that the Cuomo [admin.] and the Legislature will attempt to wrestle with the current \$875 million deficit in a combined 15-month plan" (Tom Precious, Albany TIMES-UNION). A special leg. session, "according to some lawmakers, could occur as early as the end of next week but is more likely to begin around Dec. 18. ... As political junkies form complicated connections between anything that happens to [NY] and Cuomo's presidential aspirations, the speculation received little attention in the Assembly meeting." An Assembly Dem: "We're mainly more worried about our own districts and our own hides than Mario Cuomo's ambitions" (12/4).

DID I SAY THAT? L.A. TIMES' Ronald Brownstein, who filed the 11/90 story on Cuomo's Iraq "concessions" speech, reviews the speech with detailed excerpts, as well as a later interview. Both sessions were tape recorded. Cuomo, the day after the speech: "When it's a settlement or war, you take a less than perfect settlement" (12/4). Columnist Martin Schram: "Cuomo would have appeared plenty presidential if he'd just conceded [on "Brinkley"] that he's learned a valuable lesson in the past year: International policy is too important to be crafted by thinking out loud. We don't need another clarification, just an admission. Say it was so, Mario" (N.Y. NEWSDAY, 12/3). WASH. POST's Richard Cohen, one of the "journalistic trifecta" cited by Cuomo in his 12/3 POST op-ed: "[Cuomo] cannot bring himself to admit fallibility" (12/4). ABC's David Brinkley on whether Cuomo is in or out: "I would guess out. That's how I feel today, ask me tomorrow. ... He has developed a reputation of inability to make up his mind. ... Plus the fact that he's got a lot of unhappy events in New York City, bankruptcy, and so on ... all of which will be blamed on him whether he's responsible or not" ("Larry King Live, CNN, 12/3).

*9 HARKIN: MAKES HEALTH CARE PITCH AT NH FORUM

At a forum of the NH Health Care Coalition 12/3, he said the U.S. "can provide basic health care to every American and save billions per year at the same time" (Glenn Wallace, Manchester UNION LEADER). At the first of several such forums, Harkin "said waste and inefficiency are the reasons health care is so expensive." He said his "first priority" as president would be to gather "the nation's health care leaders 'in the Situation Room where Ollie North used to work'" to make universal health care available by fall '93. He "proposed an eight-point health care revision plan, the cornerstone of which would be preventative medicine." Citing Centers for Disease Control stats, he said only 1% of present health care spending is for prevention programs. He said Americans "must begin to think of health care as a fundamental right," citing Sen. Harris Wofford's (D-PA) criminal-is-to-lawyer syllogism. His plan would also expand the National Health Service Corps, a "system in which the government pays for medical training in return for an obligation by the student to serve for several years in specified health care programs." He defended "a more socialized system of medicine," noting other governments "are not considering adopting the American system" (12/4).

*10 KERREY: A DAY FOR SOCIAL REFLECTION

"In a whirlwind five-hour campaign swing" in Boston, Kerrey

visited veterans at a V.A. hospital in Jamaica Plain, "lectured in literature at Harvard and spoke before a packed house of students at Tufts -- revealing several sides of himself" (Wayne Woodlief, BOSTON HERALD). At the hospital, Kerrey "kept a tight rein on his emotions ... which surely reminded him of his own stay in a V.A. hospital in Philadelphia after losing part of his leg in combat in Vietnam." At Harvard, lecturing to Prof. Robert Coles' "Literature of Social Reflection" class, "Kerrey opened up more, turning more philosophical than political as he talked of the Walker Percy novel 'The Moviegoer'" (12/4). "In the beginning of the book, the main character describes a surge of energy and curiosity as he lay wounded in the Korean War in 1951. Kerrey said he had a similar experience" at a Navy hospital in Japan. "From intense pain, Kerrey said, he suddenly felt 'no pain at all': 'I saw my entire life. ... It was a moment of discovery.'" Kerrey also discussed the incident when he was wounded, as well as Albert Camus' "The Fall" and a film by Ingmar Bergman. "Kerrey said it was difficult for him to shift from meeting patients in the V.A. hospital with photographers clicking away to the literature lecture to the Tufts political speech": "I do it because I have to." Noting it was "regrettable" the lecture was seen in political terms, Kerrey added, "It's values that determine policy. It's as important to debate values as policy" (David Kotok, OMAHA WORLD-HERALD, 12/4). At Tufts, "Kerrey said that as president he would issue an executive order allowing homosexuals to serve in the armed forces." When pressed, he "declined to commit himself to support a proposed change that would extend the protection of federal civil rights law to homosexuals" (WORLD-HERALD, 12/4). Addressing a 12/2 fund-raiser at a hotel overlooking Boston Harbor, Kerrey said that faced with an attack similar to the Bush's '88 criticism of Dukakis on the harbor, he might "go down to Houston and pull a bucket of water out and ask him (Bush) to have a drink" (WORLD-HERALD, 12/4).

PRAISE: Ex-Dukakis manager John Sasso said that "personal conviction and strength could set [Kerrey] apart" from the field. Sasso attended the 12/2 Boston \$-raiser. The two "had a conversation about a month ago. Sasso declined to say what they talked about. He said Kerrey had the potential to be President Bush's strongest opponent." Sasso said Kerrey "brings to the race an 'overriding sense that he is rooted in beliefs and knows who he is" (WORLD-HERALD, 12/4). Sen. Warren Rudman (R-NH), on who to look for in his home state's primary: "I think Kerrey's the one to watch" (WORLD-HERALD, 12/4).

NICE WORK, IF YOU CAN GET IT: Kerrey, "who has been mentioned as a possible [VP] running mate" for Cuomo, should he run, "had nothing but good to say about Cuomo when he was asked what impact a run by [Cuomo] would have": "It's like asking what does a solar eclipse do to the day" (Woodlief, HERALD, 12/4).

POLICY TEAM: Chicago's Operation P.U.S.H. executive dir. Joseph Gardner was named Senior Adviser for Urban Policy Affairs for the campaign (Kerrey release, 12/4). Clinton met with Gardner during his recent trip to IL (see HOTLINE 12/2).

*11 DEM ROUND-UP

BROWN: In a swing through ME, Brown spoke at Bowdoin College in Brunswick and at the Green Mountain Coffee Roasters, "a popular coffee house and student hangout in Portland." Brown "called the visit a time to 'plant the seeds' of his campaign and fended off a complaint that he should have rounded up supporters

before coming" (Augusta KENNEBEC JOURNAL, 12/4).

PRIMARY SEASON: W. POST's David Broder writes, "Stricter proportional representation will make it harder, on paper, for anyone to lock up the [Dem] nomination early. But my hunch is that the delay in anointing a winner will not be as great as [Jesse] Jackson hoped and his critics feared." That is why NH -- "with its tradition of backing the next president -- will loom even larger than usual this year. It could effectively slice the [Dem] field in half" because the 6 Dems "will have to share the [NH] headlines and TV coverage" with Buchanan. "Especially with fund-raising as tough as it is in this recession, the plight of those in the bottom half of the [NH] field will be bleak indeed.

... odds are good that the winner will be clear" by 4/28 or 5/5, when PA and OH vote. "Rule changes notwithstanding, the verdict should come by then -- and could come earlier" (12/4).

IA: K.C. STAR's Rich Hood examines the possibility of a "Gary Hart scenario" in the caucuses this year. With favorite-son Harkin in the race, Dem consultant Peter Goelz says, "If you can get the national press to buy the 1984 scenario, then whoever takes second could get some real lift at the expense of Harkin." Kerrey and Clinton "have sent operatives into Iowa for reconnaissance while officially claiming little interest" there. Kerrey midwest dir. Tom Monaghan on IA: "If Ho Chi Minh was going to use the Ho Chi Minh Trail, was he going to tell anyone ahead of time?" Kerrey IA supporter Jim Pribyl said of Clinton: "I presume their game is to explore the opportunity to ambush Kerrey." But Clinton deputy mgr George Stephanopoulos "scoffed at the suggestion." IA Dems do say "they have been flooded with telephone calls from Clinton operatives," and Clinton brought a "busload of Arkansans" to the 11/23 J-J dinner (12/4).

POLL: Fingerhut/Granados Research surveyed 778 registered voters from 11/4-7 in association with the Labor Research Assn on behalf of the Drug, Hospital and Health Care Employees Local 1199. When asked to choose between Bush and a Dem "in the tradition of FDR, Harry Truman, and JFK, who supported programs that would keep out foreign imports and who supported national health insurance," the "traditional" populist Dem defeated Bush, 63-27%. But Bush still tops Cuomo, 54-32%. Although not formally aligned with any one Dem campaign, Fingerhut "helped brief" Harkin at the AFL-CIO debate in Detroit (Release, 12/2).

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*12 ILLINOIS: GOP MAY HAVE FOUND A WILLING CHALLENGER

GOPers "intensified their recruitment effort [12/3] and worked to coax Chicago lawyer Richard Williamson into the race" against Sen. Alan Dixon (D) (Thomas Hardy, CHICAGO TRIBUNE). Williamson, who has served as WH adviser to Presidents Bush and Reagan, in addition to service for the State Dept. and as Amb. to UN organizations in Europe, "had shelved earlier considerations of running ... in part because he was busy as one of the lawyers defending" the GOP remap plan for IL, which "prevailed." While Williamson discusses the matter with his family, GOPers will put on a "full-court press" to get him to decide "by week's end." That would include calls to Williamson from Gov. Jim Edgar (R) and Pres. Bush, as well as calls from First Ladies Barbara Bush and Jane Edgar. A source indicated, if he ran, Williamson would be a "unanimous pick" for the GOP (12/4). After Turtle Wax pres. Denis Healy (Irv Kupcinet, CHICAGO SUN-TIMES, 12/3) and conservative Steve Baer took themselves out of the race ("Inc.", TRIBUNE, 12/2), self-admitted long-shot/West Chicago Mayor Paul Netzel (R) announced he will challenge Dixon, "but his campaign got off to a chilly start" (Rob Karwath, TRIBUNE). Edgar aides "prohibited" Netzel from using the state's conference center for the announcement, so Netzel was forced to hold his news conference outside in the snow. Netzel "pledged to stay in the race, even if a more influential" GOPer enters. He admitted IL's "top" GOPers "urged" him to "wait until they can determine whether they can find another candidate" (12/3). Also mentioned at the 12/3 GOP meeting: Ex-Defense Sec. Donald Rumsfeld, who is "unlikely to run," US Atty Fred Foreman, businessman George Stevens, banker Robert Hershenhorn (Sweet, SUN-TIMES, 12/4).

DEMS: Dixon said "the way to replace him is in a 'bitterly negative campaign,' and that's what he's bracing for in the three-way" Dem primary against millionaire/atty Al Hofeld and Cook Co. Recorder of Deeds Carol Moseley Braun (Sweet, SUN-TIMES, 12/4). "Though Dixon might well be vulnerable in a primary to a single liberal challenger, he expects to win renomination by splitting the opposition" (Steve Neal, SUN-TIMES, 12/4). Primary: 3/17.

LABORING OVER LABOR: Dixon "moved to end a spat with labor unions by endorsing" a bill aiming "to stop employers from hiring permanent replacements when workers go on strike." Mine Workers, Machinists and Steelworker unions in IL "pushed Dixon the hardest on the bill and some members threatened to block endorsements of Dixon in his re-election campaign." Dixon top aide Gene Callahan said Dixon "withheld support under an agreement by Democratic leaders in the Senate" which was "called off," thus "freeing" Dixon and Sen. Pres. George Mitchell (D-ME) to endorse the bill (Bill Lambrecht, ST. LOUIS POST-DISPATCH, 12/4).

*13 WASHINGTON: IS LOWRY PULLING A CUOMO?

Under SEATTLE TIMES header, "A Lowry 'yes'? Stay tuned," AP's David Ammons predicts ex-Rep. Mike Lowry (D) "will drop his Mario Cuomo impression and announce plans to run" for the seat held by Sen. Brock Adams (D). Lowry is "considered something of an 800-pound gorilla in Washington politics. Like Cuomo, he's a spellbinding speaker, a spinner of visions and a keeper of the liberal faith. Like Cuomo, he commands an instant, fiercely loyal following of a sizable cadre and can crank up a statewide

campaign as quickly as anyone." Though Lowry, who has lost twice for Senate, has also shown interest in the open gov. seat, "high ranking [Dems], who decline to be identified, now say Lowry will tip his hand this week and give notice of a Senate campaign." But a "formal announcement won't come until the new year or at least until Lowry's current semester" as a Seattle Univ. professor is over. Lowry: "Why did everyone jump in so early? It's not '92 yet." One Dem leader on Lowry: "We have a fighting chance to keep the seat." Adams state dir. David Gallik says Adams "is steaming ahead with a re-election campaign, with or without Lowry and largely ignoring the polls." Gallik added Adams has "locked up some key endorsements and is doing very well with fund-raising": "People will be hard-pressed to find a chink in Brock Adams' armor. People have underestimated Brock Adams all his life" (12/1). SEATTLE POST-INTELLIGENCER editorial applauds Adams, U.S. Sec/Transportation under Carter, "whose viability as a candidate for re-election has been the object of intense public speculation." Adams "played a key role in persuading a House-Senate conference committee to raise the federal match for the Pudget Sound project from a measly \$5 million in the first six years to \$300 million" (12/2).

***14 WISCONSIN: DOLLAR CHASE MAKES MOODY MISS REFORM VOTE**

In the Dem primary race to challenge Sen. Bob Kasten (R), Rep. Jim Moody (D-05) "skipped a House vote on a major campaign finance reform bill" to attend a Chicago \$-raiser. Moody top aide Marcus Kunian pointed to Dem primary opponent/ex-WI Dem chair Joe Checota, who has said he would spend up to \$2.5 million of his own money on the race. Kunian: "When you're running for the Senate and facing a millionaire who's going to put in millions of his own money, your ability to raise contributions is important. There are going to be some missed votes." Checota: "If Jim Moody thinks raising special interest money is more important than voting on campaign finance reform, he's dead wrong." Dem primary opponent/state Sen. Russ Feingold: "The lack of campaign finance reform is the whole reason Jim Moody is running around the country wasting his time having to do all this fund-raising" (Ken Lamke, MILWAUKEE SENTINEL, 11/27).

TAXING MATTERS: "The resurgent debate" over tax cuts will give WI "an early and defining look" at the race, as Kasten and Moody "embody the contrasting approaches being taken by their respective parties" (Still, WISCONSIN STATE JOURNAL). Moody sits on the House Ways and Means Cmte, which holds hearings 12/5-6 on chair Rostenkowski's Dem plan and a GOP plan with ideas "put forth" by Pres. Bush, HUD Sec. Kemp, House Min. Whip Gingrich -- and Kasten. Moody: "The Kasten and Bush proposal is just another giveaway to those who shuffle paper to create profits instead of those who really will produce economic growth" (12/1).

*15 NEW JERSEY: LAME DUCK LEG. DEMS MAY REPEAL FLORIO TAX HIKE

In a move that would present the Leg.'s new GOP majority -- which campaigned almost solely against taxes -- "with a \$3.5 billion deficit in its first state budget," the NJ lame-duck Dem majority "took the first formal steps toward rolling back the \$2.8 billion tax increase that led to the party's overwhelming defeat [11/5], setting the stage for a tumultuous political debate and economic uncertainty" (Holcomb, PHILA. INQUIRER). State Sen. Laurence Weiss (D), chair of the Revenue, Finance and Appropriations Cmte, "said he would introduce five bills [12/5] that would rescind -- 'sunset' in legislative parlance" -- the entire package: "I'm deadly serious. All through the campaign, I heard from my constituents and others that the \$2.8 billion in taxes was perhaps a bit unreasonable. My opposition tells me that they are going to repeal \$600 million of the increase almost immediately." While outgoing Speaker Joseph Doria (D) said Dems, "meeting behind closed doors, were close to deciding to reduce" the 7% sales tax by 1%, Assembly Dems "are still debating whether to repeal the whole" \$2.8B (12/4). Doria, an architect of the tax package, "previously had expressed reluctance" for any repeal, but now says he'll "do what my caucus thinks best" (Newark STAR-LEDGER, 12/3). Gov. Jim Florio (D) spokesperson Jon Shure said Florio "remained noncommittal on the tax repeal proposals," but senior Dems say he "has not discouraged" them "from vigorously pushing the idea." GOP Speaker-elect Chuck Haytaian: "If they are really serious, then I say go ahead and do it. If they do something, we will react to it. [Dems] are in charge until [1/14]. To speculate on what we will do based on their game-playing is very dangerous" (Gray, N.Y. TIMES, 12/4). If Dems repeal the package, it would "force" GOPers to make "Draconian" budget cuts or "take responsibility for raising taxes all over again" (Heidorn, INQUIRER, 12/3).

*16 UTAH: COOK ANNOUNCES '88 REDUX

Millionaire mining exec./unsuccessful Independent Party '88 gov. candidate Merrill Cook announced he's running for gov. again, "vowing to cut taxes ... and 'break special-interests' grip" on UT. Cook: "I'm running to win, not as a spoiler. We're trying to make sure the people of this state get a better deal" (Tony Semerad, SALT LAKE TRIBUNE, 12/3). Cook, an ex-GOPer, said "even though ... the [GOP] is 'more open now'" with Sen. Jake Garn (R) and Gov. Norman Bangerter (R) retiring, "he can't turn his back" on Independent Party supporters "who've put their faith in him." After getting 21% in the '88 race, Cook "helped form" UT's Independent Party. Cook will "personally match" contributions, as he did in '88. He expects to put \$250,000 of his own money into the race and raise another \$250,000. Cook also "will start running" TV and print ads next week. He promised to "Stop the sales tax diversion for the Winter Olympics ... until the Games are actually awarded to Utah," raise teacher salaries without raising taxes and "get control" of the budget, and press for term-limits (Bob Bernick, DESERET NEWS, 12/3).

===== CALIFORNIA =====

*17 WILSON: FACES RECALL EFFORT

Joe Scott's CALIFORNIA EYE reports a "slowly mushrooming recall campaign" against Gov. Pete Wilson (R) needs 923,937 valid signatures by 1/16 to trigger a special 1992 election. Though "no previous recall campaign" against a CA gov. has ever succeeded despite 27 attempts, an "odd coalition" has formed, including public employees, teachers, bikers angry about a mandatory helmet law, homosexual groups, and conservatives "furious that he raised taxes." The "conservative" CA GOP Assembly, "which has rebuked Wilson for being a taxer," has called a convention after the 1/16 deadline "to discuss the issue and determine to support the recall, or pass. ... Conservative sources familiar with the recall effort estimate that fewer than 100,000 signatures exist," so the "realistic probability is that the recall will be re-filed next summer" when it fails (12/2). While one CA reporter stated, "Everybody seems to agree that they have well over 500,000 signatures," others called it "a long shot," without "a snowball's chance in hell" of succeeding. Recall organizer Deborah Murray disagreed, but says if unsuccessful she will not try again. However, homosexual groups will, and "they will get it done. Period." Murray and other state employees began the drive in response to planned pay and health benefit cuts, raids on state pension funds to balance the budget, and recent tax increases. The group lacks funds, and one observer notes, "we would have heard about it by now" if the most likely source, public employee unions, planned to contribute. A rally will be held in Sacramento 12/7 to drum up support (HOTLINE sources, 12/3).

===== POLL UPDATE =====

*18 CBS/N.Y. TIMES: U.S.-JAPAN RELATIONS 50 YEARS AFTER PEARL
Conducted jointly with Tokyo Broadcasting System. U.S.:
1106 adults, 11/18-22; M/E +/- 3%. Japan: 1446 adults, 11/7-13;
M/E +/- 3% (release, 12/3).

SHOULD JAPAN APOLOGIZE FOR PEARL HARBOR?	U.S.	JAPAN
Yes	40%	55%
No	46	41

SHOULD U.S. APOLOGIZE FOR A-BOMBS?	U.S.	JAPAN	IF JAPAN APOLOGIZES FOR P.H.?	U.S.	JAPAN
Yes	16%	73%		34%	60%
No	77	24		42	33

WHICH COUNTRY WILL BE #1 ECON. POWER IN NEXT CENTURY?	U.S.	JAPAN	RELATIONS BETWEEN COUNTRIES?	U.S.	JAPAN
Japan	52%	53%	Very friendly	14%	2%
U.S.	30	29	SW friendly	66	58
			SW unfriendly	14	37
			Very unfr.	1	2

THE INCREASE IN JAPANESE INVESTMENT IN U.S. IS ...

	U.S.	JAP
Threat to U.S. econ. independence	62%	52%
Will strengthen American economy	25	44

HAS JAPAN BECOME A WORLD POWER THAT SHOULD ASSUME RESPONSIBILITIES TO OTHER COUNTRIES?	U.S.	JAPAN
Yes, world power	59%	60%
No, not a world power	32	37

MORALLY WRONG TO DROP A-BOMBS	U.S.	JAP
Agree strongly	21%	56%
Agree somewhat	18	28
Disagree somewhat	27	10
Disagree strongly	28	4

PEARL HARBOR IS JUST AN EXAMPLE OF WHAT JAPANESE ARE LIKE TODAY	U.S.	JAPAN	U.S. ROLE IN GULF WAR?	U.S.	JAP
Agree strongly	10%	18%	Approve	74%	50%
Agree somewhat	10	36	Disapprove	22	47
Disagree somewhat	27	29			

Disagree strongly	42	12	SHOULD JAPAN HAVE DONE MORE IN GULF WAR?	U.S.	JAP
			Yes, more	65%	17%
			No, less	2	19

APPROPRIATE TO USE MILITARY FORCE TO MAINTAIN INTERNAT'L ORDER?	U.S.	JAPAN
Appropriate	72%	26%
Not appropriate	20	70

*19 THIS MORNING: ABC's "GMA" hosted freed hostages Benjamin Weir, David Jacobsen, and Thomas Sutherland on hostages' release, Oliver North on Waite's alleged involvement in the arms-for-hostage deal, U.S. NEWS' David Gergen and S.F. EXAMINERS' Chris Matthews on Sununu. NBC's "Today" hosted NBC NEWS' Andrea Mitchell, Tim Russert, and W.S. JOURNALS' Al Hunt on Sununu and '92, and ex-Asst. Sec/State Richard Murphy, freed hostages Benjamin Weir, Thomas Sutherland, Jon Turner, Robert Pohill, Lawrence Jenko, and Jerry Levin on the hostage release. "CBS This Morning" hosted brother of hostage Terry Anderson, John Anderson, freed hostage Thomas Sutherland, Dem consultant Bob Beckel and GOP consultant Ed Rollins on Sununu, Oliver North and ex-NSC staffer Gary Sick on the hostages' release (12/4).

A.M. QUOTABLES: Oliver North on rumors Waite was a "decoy": "I will tell you quite bluntly that's an inaccurate statement that diminishes the man, diminishes the effort. ... People have created a certain mystique about Ollie North that goes well beyond the realities of what a lieutenant colonel can do" (NBC).

LAST NIGHT: All nets led with Sununu's resignation. PBS' "MacNeil/Lehrer" hosted TIME's Dan Goodgame and N.Y. DAILY NEWS' Maureen Santini, and Gergen & Shields on Sununu. NBC interviewed House Min. Whip Newt Gingrich (R-GA) on Sununu. CNN's "Crossfire" hosted GOP consultant Ed Rollins and S.F. EXAMINER's Chris Matthews on Sununu, and "Larry King Live" interviewed David Brinkley on Sununu and Pearl Harbor. ABC's "Nightline" hosted ex-WH CoS Howard Baker, GOP consultant Ed Rollins, and NEW REPUBLICS' Fred Barnes on Sununu (12/3).

ON THE BRINK: Brinkley on Bush's decline in the polls: "It was inevitable when the economy went sour, and Mr. Bush has not responded to it effectively. ... The president does not have the power to end the recession. ... If you want to find the guilty parties I think the place to look is at the banks." On whether "any" Dem can beat Bush: "I wouldn't say any Democrat, some Democrat, and I don't know which one." On "Doonesbury" and its allegations against Quayle: "The allegations in his comic strip, I think that's what it's supposed to be, though it's not funny, are ridiculous. ... I would not carry it" ("Larry King," 12/3).

BURNING BUSH? CBS' Dan Rather: "The index designed to predict growth in the U.S. economy indicates there won't be much in the months ahead. ... Main reason for this poor showing? A huge drop in consumer confidence" (12/3). ABC's Peter Jennings: "In overall economic news today, a little to cheer about, but not much" (12/3). CNN's Frank Sesno: "Meanwhile, President Bush says he understands the plight of the unemployed, and believes much more needs to be done to bolster the economy. Mr. Bush made the remarks ... on a trip intended to stress the importance of U.S. competitiveness" (12/3).

SEND HIM TO FRANCE? NBC's Jay Leno on Sununu's resignation: "They'll probably give him another job. The problem is do you give a man who many people consider obnoxious, arrogant, and rude ... how about Ambassador to France." On Bush: "First he goes to Congress to get more than one billion dollars to put in the Soviet economy and then he goes to a mall in Maryland to put thirty dollars in ours." On Bush's shopping trip: "Two people going to a mall is not going to stimulate the economy ... of course, if we get Ronald Reagan to take Nancy shopping we could turn this economy around in a weekend. ... But that's not the

whole story ... you also have to add in what Dan Quayle spent in Toys R Us and Chuck E. Cheese." On the economy: "Despite all this talk, top economic forecasters say we're not in a recession, we're just in a slow recovery ... that's like saying there's not a lot of unemployed, there's just a lot of people who are really, really late for work." On criticism the WH has no understanding of the middle-class: "That's where the Democrats are lucky ... they have real middle-class people advising them ... names like Rockefeller, Kennedy." On Cuomo: "A new poll says that if the presidential election were held today, Mario Cuomo still wouldn't know if he was running or not. ... He's just unveiled his new anti-drug program ... it's called 'Just Say No, or Yes, or No, or Yes ... it keeps drugs off the street by wasting the dealers time.'" On Duke: "David Duke is going to run for president ... he's looking for a running mate who shares his views ... who could his running mate be? Hitler's dead, Hussein is in hiding, and Khadaffi isn't interested." On the Smith trial: "There are so many Kennedys in town the mayor of Palm Beach has asked the state to bring in extra designated drivers to handle the influx." On DC statehood: "I'll give you two reasons why Washington, D.C. should not become a state ... two more senators" ("Tonight", NBC, 12/4).

===== TV SOUNDBITE =====

"First he goes to Congress to get more than one billion dollars to put in the Soviet economy and then he goes to a mall in Maryland to put thirty dollars in ours."

-- Jay Leno on Bush, "Tonight," NBC, 12/3.

#

CLASSIFIED

12/4/91

UNCLASSIFIED UPON
REMOVAL OF CLASSIFIED
ATTACHMENTS

Dw 3/11/12

Wednesday, December 4, 1991

Bob Teeter
American Enterprise Institute
Policy Conference remarks
Sam Skinner orientation paper

Guy Molinari/Congress/ideas
Mosbacher/campaign announcements
Joseph Cicippio/Alann Steen/Terry
Anderson/Peggy Say--points & notes
Jerry Weintraub
Fred Malek/JABIII
Fred Zeder
Elsie Hillman/Curley
Dan Quayle
Charlie Black

Boskin/2nd & 3rd quarter growth
B. Gray/campaign rules/Mosbacher ref
Bob Martinez/politics
John Chafee/encouragement
French Hill/GB Library/A&M
Joseph Messner/Bushnell thanks
Lana Bethune/K'port/come visit
Hanukkah Bush card
Super/Beeville/Asia trip
Marty Russo/humor/golf balls
Joseph Wear piece to tennis friends
and family
Rhodes/measure K'port fireplace

STATE/METRO

THE CLARION-LEDGER ■ JACKSON, MISSISSIPPI

MISSISSIPPI DEATHS — 2
JACK SUNN — 3

B

MONDAY
MONEY

INSIDE

MONDAY, DECEMBER 2, 1991

BEGINS ON PAGE 4B

Job upswing points to economic recovery

■ A record in non-manufacturing hires put unemployment at 7.1 percent.

By Mac Gordon
Clarion-Ledger Business Writer

Mississippi's non-manufacturing job total set a record in October, driving the state's unemployment rate down a full percentage point to 7.1 percent.

The state registered a record 708,200 non-manufacturing jobs during October, up nearly 2,000 from September's 706,300 total.

Raiford Crews, a labor market analyst with the Mississippi Employment Security Commission, said the drop from 8.1 percent in September shows the state's economy is rebounding.

"Our businesses aren't suffering as much as they are nationally. There is defi-

nately more money turning over in our economy than at the first of the year," Crews said.

"You can see it in the malls and just about everywhere."

The largest non-manufacturing employment gainers during October, compared to the same month in 1990, were the service industry with a gain of 5,500 jobs and wholesale and retail trade, which grew by 3,100 positions.

Also playing key roles in the overall unemployment-rate drop were public schools becoming fully staffed, returning students leaving the labor force and a near-record agricultural harvest statewide.

Factory jobs increased to near-record levels during the month with a tally of 248,600 manufacturing jobs — lagging only behind the October 1990 high of 249,100.

Crews said the farm harvest, expected to

be among the best in two decades, shows the value of agriculture to the state's economy. Farm-worker totals were up, helping push overall retail sales upward.

"That development mainly helps the Delta, but there's also a spill-over effect into other areas. Too, farm suppliers are helped because a lot of work has gone into preparing fields for planting next spring."

The analyst said the housing and automobile industries have lagged behind other sectors in Mississippi, but not enough to completely stagger the state's overall economy.

"Construction has been an especially dark spot. We overbuilt apartment complexes and shopping centers, but those areas are gradually catching up."

"Housing and automobiles have a tremendous effect. That we're doing so well in Mississippi in spite of that ... is very good," Crews said.

Unemployment rates

LOWEST

Rank	County	Percent
1.	Lafayette	2.5
2.	Issaquena	4.2
3.	Newton	4.4
4.	Lamar	4.5
5.	Rankin	4.5

HIGHEST

1.	Jefferson	17.8
2.	Jeff Davis	13.5
3.	Greene	12.8
4.	Franklin	11.3
5: (tie)	Marshall	11.1
	George	11.1
	Attala	11.1

Source: Miss. Employment Security Commission

Consul - W -

12-4-91

Date

Per Walt +

Don't say

for M. V. D. -



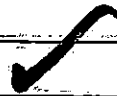
State & Union

Consul

Brady, Danner, drag

Brady, Boston, Danner

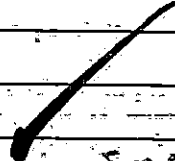
Testimony - W. M.



Action vs. Inaction



Get together with all 3



TS make a "narrating" speech



Make speech once

Find place in

Living Room



"Credit" for Hostage

Policy - get Congress

to say so

Call Peggy "Say"

Thank Pizzo

Bush Presidential Library Photocopy

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Note	Handwritten notes of various issues (1 pp.)	12/04/[91]	(b)(1)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 4, 1991

Date Closed:	3/11/2014	OA/ID Number:	90638-001
FOIA/SYS Case #:	2009-0166-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03. Memo	From Brent Scowcroft to President Bush (1 pp.)	11/30/91	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 4, 1991

Date Closed:	3/11/2014	OA/ID Number:	90638-001
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:	

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Memo	From James A. Baker, III to President Bush (1 pp.)	12/03/91	(b)(1)	C

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 4, 1991

Date Closed:	3/11/2014	OA/ID Number:	90638-001
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:	

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
05. Memo	From Bruce O. Riedel to Robin A. Maclean and Florence E. Gantt (1 pp.)	11/27/91	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 4, 1991

Date Closed:	3/11/2014	OA/ID Number:	90638-001
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:	

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12/2

1. Rose - fyi (Kathy Super will hold 1 hr.)

2. Robin

-- please clear Robert Teeter
Wednesday 12/4/91
9:45 a.m.

THIS IS PERSONAL & WILL NOT SHOW UP
ON THE SCHEDULE

Thanks

Patty

done - 12/3
1:30
KAW

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06. Note	From [George Bush] to RZ [Rose Zamaria]/Patty [Presock] Re: meeting with Teeter [redaction of personal information] (1 pp.)	n.d.	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 4, 1991

Date Closed:	3/11/2014	OA/ID Number:	90638-001
FOIA/SYS Case #:	2009-0166-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

~~Lunch~~

THE WHITE HOUSE
WASHINGTON

9:45 -
10 - 11:00

R21 Petty

Set up for
9:45 am

I asked Teeter

come here asap

He thinks Wed. AM

will be OK - save

at least 1 hour

for 1 on 1 meeting

He'll call in

(b)(6)

POOL REPORT
Speech to AEI at Willard
Wednesday, Dec. 4, 1991

Another entry for the shortest motorcade in the world award, one so interesting that even David Duke got out of his cab to watch it pass.

Trip to Willard totally uneventful except that first cars arrived there as last left White House grounds. Nick Brady rode with Mr. Bush. The two emerged from Oval Office in deep conversation and got into the car. Brady sat on podium but did not participate. Others with president were Andy Card, Brent Scowcroft and Boyden Gray.

As return motorcade moved south on 15th Street past the Pennsylvania Avenue turn, David Duke and an unidentified male associate left their taxi and walked out into 15th Street to watch. There was no outward sign or wave from them. Bush was asked at the White House if he saw Duke but did not reply.

Frank Murray, The Washington Times

REVISED *AP*

AMERICAN ENTERPRISE INSTITUTE LUNCHEON
THE WILLARD HOTEL
DECEMBER 4, 1991
12:45 P.M.

31 DEC 4 12:00
AM:13

THANK YOU, CHRIS IDEMUTH, A.E.I. PRESIDENT], FOR
THOSE WARM WORDS. / LET ME RECOGNIZE PAUL ORREFICE,
A.E.I.'S CHAIRMAN OF THE BOARD, AND THANK SECRETARY
NICK BRADY FOR JOINING US TODAY. FINALLY, LET ME
SALUTE IRVING KRISTOL -- HONORED BY A.E.I. WITH THIS
YEAR'S FRANCIS BOYER AWARD -- FOR THE ABUNDANCE OF
INSIGHT HE BRINGS TO THE STUDY OF AMERICAN POLITICS,
THE AMERICAN SYSTEM, AND AMERICAN SOCIETY. // IRVING
HAS DEVOTED MUCH OF HIS EFFORT THE PAST THREE DECADES
TO MAKING THE WORLD SAFE FOR DEMOCRATIC CAPITALISM.
[[THAT MESSAGE NOW OPENS NEW WORLDS FROM MOSCOW TO
WARSAW. I JUST WISH WE COULD SAY THE SAME OF
WASHINGTON.]] //

IRVING ALSO RUNS ONE OF AMERICA'S MOST FORMIDABLE
ONE-MAN TALENT AGENCIES. NOT ONLY HIS OWN SON, BILL,
WHO SO ABLY SERVES THIS ADMINISTRATION -- BUT LEGIONS
OF PROTEGES IN EVERY CORNER OF THE POLITICAL AND
INTELLECTUAL WORLDS OPEN DOORS BY SAYING, "IRVING SENT
ME." ///

I'M PLEASED TO HAVE THIS OPPORTUNITY TO SPEAK TO
ALL OF YOU TODAY. A.E.I. EPITOMIZES SOMETHING
QUINTESSENTIALLY AMERICAN -- THE ENGAGED INTELLECTUAL.
MANY OF YOU HAVE SERVED IN GOVERNMENT -- AND LIVED TO
TELL ABOUT IT. //

A.E.I. ENCOURAGES THE IDEAL OF THE CITIZEN-SCHOLAR
-- A KIND OF MODERN-DAY CINCINNATUS: READY TO ANSWER
YOUR COUNTRY'S CALL, AND WHEN YOUR WORK IS DONE --
CONTENT TO RETURN TO YOUR WORD PROCESSORS. //

FOR THE PAST THREE YEARS YOU'VE BEEN ESPECIALLY
GRACIOUS IN OFFERING ME ADVICE ON ALL MANNER OF ISSUES.
I THANK YOU FOR YOUR SUPPORT -- AND YES, FOR WHAT I'LL
CALL YOUR // "CONSTRUCTIVE CRITICISM."

IN THE SHORT SPACE OF THOSE THREE YEARS, WE'VE SEEN OUR WORLD TRANSFORMED. THE COLLAPSE OF COMMUNISM, / THE COLD WAR'S END, / THE TRIUMPH OF THE DEMOCRATIC IDEA: EACH EPOCH-MAKING EVENT SWEEPED AWAY THE CHALLENGES, THE CONFLICTS THAT DEFINED THE WORLD WE KNEW. EACH OPENED UP A NEW ERA -- A NEW WORLD OF POSSIBILITIES. //

AS I'VE SAID BEFORE, THE COLD WAR WAS -- IN ITS DECISIVE ASPECT -- A WAR OF IDEAS: A CLASH BETWEEN TWO SYSTEMS SPEAKING TO THE DEEPEST DREAMS AND DESIRES OF MAN. THAT BATTLE WAS WON BY WESTERN IDEALS. AND THE FACT THAT IN THE NATIONS OF THE OLD WARSAW PACT AND EVEN WITHIN THE SOVIET UNION FREE GOVERNMENTS AND FREE MARKETS ARE NOW TAKING ROOT STANDS AS A TRIBUTE TO THE IDEAS AND IDEALS THAT GUIDE A.E.I. //

OUR NEW ERA BRINGS WITH IT A NEED FOR NEW GUIDEPOSTS -- FOR SOLUTIONS AND APPROACHES THAT KEEP PACE WITH THE TIMES. THE FACT THAT AT LONG LAST WE CELEBRATE A WORLD TRANSFORMED INEVITABLY MEANS CHANGE HERE AT HOME. //

RIGHT NOW, THE FOCUS HERE IN WASHINGTON AND ACROSS THE COUNTRY IS ON THE ECONOMY. / YESTERDAY I WAS IN BRADENTON, FLORIDA AND MERIDIAN, MISSISSIPPI, MEETING WITH WORKING AMERICANS, LISTENING TO WHAT'S ON THEIR MINDS -- THE SAME WAY I'VE LISTENED TO PEOPLE ACROSS AMERICA -- 48 STATES TO BE EXACT -- FOR THREE YEARS NOW. / THESE ARE TOUGH TIMES. MANY AMERICANS ARE WORRIED. THEY'RE LOOKING FOR A SIGN FROM WASHINGTON THAT SOMEONE CARES -- UNDERSTANDS WHAT'S HAPPENING. I HOPE I'VE MADE CLEAR THAT I DO.

THESE PEOPLE WON'T FEEL COMFORTED BY A WEIGHTY DISCOURSE ON THE DIFFICULTIES OF DIVIDED GOVERNMENT. // THEY KNOW THAT, WHATEVER THE LEADING ECONOMIC INDICATORS MIGHT SAY, FOR A PERSON WHO'S LOST HIS JOB -- THE UNEMPLOYMENT RATE IS 100%. // THEY ARE IMPATIENT, TIRED OF EXCUSES. THEY WANT ACTION -- AND THEY CAN'T UNDERSTAND THE POLITICAL GRIDLOCK THAT TOO OFTEN PARALYZES WASHINGTON, D.C. //

BUT GOVERNING REQUIRES MORE THAN ACTION FOR ACTION'S SAKE. YOU SEE, TOO MANY IN CONGRESS MAKE THE EASY ASSUMPTION THAT WHEN POLLS TELL US ABOUT DISSATISFACTION WITH WASHINGTON -- IT MEANS THEY WANT GOVERNMENT TO DO MORE, TAKE MORE POWER TO ITSELF. BUT THAT NOTION SIMPLY DOESN'T SQUARE WITH MY SENSE OF WHAT PEOPLE WANT. / YES, THE AMERICAN PEOPLE WANT GOVERNMENT TO ACT -- BUT NOT TO BUILD NEW BUREAUCRACIES OR CREATE MORE RED TAPE. ACROSS AMERICA, WE SEE A DEMAND FOR GREATER FREEDOM OF ACTION. A PUBLIC WEARY OF MANDATES, REGULATIONS AND TAXES WANTS TO REVERSE THE FLOW OF GOVERNMENT POWER -- TO RESTORE AUTHORITY TO THE PEOPLE. //

IN THE POLITICAL AND SOCIAL SPHERE, THIS NEW DEMAND FOR FREEDOM OF ACTION MEANS POLICIES THAT ENHANCE THE POWER OF THE INDIVIDUAL -- STRENGTHEN THE FAMILY. YOU CAN SEE THOSE IDEAS TRANSLATED INTO ACTION IN THIS ADMINISTRATION'S STAND AGAINST QUOTAS -- AND FOR REAL EQUALITY OF OPPORTUNITY; IN OUR CHILD CARE BILL, A VICTORY AGAINST THE FORCES THAT SAW THIS ISSUE AS A CHANCE TO BUILD A BRAVE NEW CHILD CARE BUREAUCRACY. YOU CAN SEE IT IN OUR HOPE PROGRAM'S EMPHASIS ON TURNING TENANTS INTO HOMEOWNERS -- AND IN EDUCATION, WHERE CHOICE IS AN ESSENTIAL PART OF OUR AMERICA 2000 STRATEGY.

TAKE A LOOK AT THAT STRATEGY. WHAT WORRIES OUR CRITICS -- THE DEFENDERS OF THE STATUS QUO IN THE EDUCATION ESTABLISHMENT -- ISN'T THAT OUR PLAN WON'T WORK. THEY WORRY THAT IT WILL. // THEY KNOW THAT CHOICE, COMPETITION AND COMMUNITY INVOLVEMENT ARE REVOLUTIONARY CONCEPTS -- CAPABLE OF LITERALLY RE-INVENTING THE AMERICAN SCHOOL. // BUT THAT'S WHAT WE WANT TO DO -- WHAT WE MUST DO.

IN THE ECONOMIC SPHERE, THE DEMAND FOR FREEDOM OF ACTION MEANS POLICIES THAT PROMOTE MARKET-BASED SOLUTIONS: THE KIND WE FOUGHT FOR IN THE AMENDMENTS TO THE CLEAN AIR ACT, AND BUILT INTO OUR ENERGY STRATEGY.
//

LET ME FOCUS IN MORE DETAIL ABOUT WHAT THIS MEANS GIVEN OUR CURRENT ECONOMIC SITUATION. / NO ONE SHOULD BE COMPLACENT ABOUT THE SLUGGISH ECONOMY OR STUBBORN UNEMPLOYMENT RATES. / BUT WE MUST NOT DISCOUNT THE FUNDAMENTALS -- THE UNDERLYING FACTORS THAT PROPEL OUR ECONOMY TOWARD GROWTH.

FROM THE FIRST, WE'VE BUILT OUR LONG-TERM GROWTH STRATEGY ON SEVERAL KEY ELEMENTS: UNLEASHING CAPITAL AND REDUCING TAX BURDENS; KEEPING INFLATION IN CHECK -- AND INTERESTS RATES DOWN. SECOND, WE RECOGNIZE THE NEED TO KEEP AMERICAN BUSINESS COMPETITIVE: TO SLASH RED TAPE AND REGULATIONS WHEREVER POSSIBLE -- DRAW THE LINE AGAINST GOVERNMENT MANDATES THAT HANDCUFF THE AMERICAN ENTREPRENEUR. [CHRIS DEMUTH AND BILL KRISTOL -- WITH HIS INVOLVEMENT IN THE COMPETITIVENESS COUNCIL -- CAN TELL YOU STORIES THAT WILL MAKE YOUR HAIR CURL.] AND TRUE COMPETITIVENESS INCLUDES REAL TORT REFORM -- CAPPING THESE CRIPPLING SKY'S-THE-LIMIT LIABILITY AWARDS, WHICH EXERT SUCH A STRONG "CHILLING EFFECT" ON ENTREPRENEURS READY TO BRING NEW PRODUCTS TO MARKET.

THIRD, AS A NATION, WE'VE GOT TO MAKE GOOD ON OUR COMMITMENT TO QUALITY EDUCATION AND JOB TRAINING, TO ENSURE A WORKFORCE READY FOR THE CHALLENGES A NEW CENTURY WILL BRING.

FOURTH, WE'VE GOT TO CONTROL THE DEFICIT. / THE AMERICAN PEOPLE NEED TO UNDERSTAND THAT, RIGHT NOW, WE SPEND \$286 BILLION DOLLARS A YEAR -- THAT'S THREE-QUARTERS OF A BILLION DOLLARS A DAY -- JUST TO PAY INTEREST ON THE NATIONAL DEBT. WE'VE GOT TO KEEP SPENDING DOWN -- AND AVOID DRIVING INTEREST RATES UP AGAIN. //

AND FINALLY, WE'VE GOT TO MAKE CERTAIN AMERICAN BUSINESSES COMPETE ON AN EQUAL FOOTING -- AND THAT MEANS A GOVERNMENT COMMITTED TO THE PRINCIPLES OF FREE AND FAIR TRADE. WE'VE FOUGHT TO ADVANCE THOSE PRINCIPLES FROM THE E.C. TO EAST ASIA -- IN THE URUGUAY ROUND AND WITH OUR PROMISING ENTERPRISE FOR THE AMERICAS INITIATIVE. //

WE FEEL THE BENEFITS OF FOREIGN TRADE RIGHT HERE AT HOME. EACH ADDITIONAL BILLION DOLLARS IN MANUFACTURED GOODS TRADE MEANS ANOTHER 20,000 AMERICAN JOBS. AND YET IN SPITE OF THE FACT THAT LAST YEAR ALONE, TOTAL GROSS EXPORTS ACCOUNTED FOR VIRTUALLY ALL OF THIS NATION'S ECONOMIC GROWTH -- A NEW BREED OF ISOLATIONISTS SEEM TO THINK DOMESTIC POLICY ENDS AT THE WATER'S EDGE. //

[I THANK GOD THEY WEREN'T AROUND BACK IN 1492 -- IMAGINE THE HARD TIME THEY'D HAVE GIVEN COLUMBUS.] // VOICES ON THE RIGHT AND LEFT ARE WORKING RIGHT NOW TO BREATHE NEW LIFE INTO THOSE OLD FLAT-EARTH THEORIES OF PROTECTIONISM AND ISOLATIONISM. // BUT THERE IS NO GOING BACK. / OUR NEW WORLD IS FAR SMALLER -- OUR HORIZONS STRETCH MUCH FARTHER WITH EACH GENERATION. THIS IS 1991 -- NOT 1791: A HORSE-AND-BUGGY ATTITUDE WON'T CARRY US INTO THE NEXT CENTURY. //

ON CERTAIN ISSUES -- MANY IN THE FOREIGN POLICY
SPHERE -- THE PRESIDENT POSSESSES ALL THE AUTHORITY HE
NEEDS TO ADVANCE AN AMBITIOUS AGENDA. BUT THERE ARE
THINGS NO PRESIDENT CAN DO UNILATERALLY -- TIMES WHEN
THE NEED FOR ACTION FINDS THE PRESIDENT AND CONGRESS
PULLING IN DIFFERENT DIRECTIONS. I DON'T APPROACH THE
PROBLEM OF DIVIDED GOVERNMENT AS A POLITICAL SCIENTIST.
THE IDEAL SOLUTION TO DIVIDED GOVERNMENT REMAINS A
GOVERNMENT UNITED IN PURSUIT OF THE PUBLIC GOOD. [[IN
OTHER WORDS, TO BE CANDID, MY PREFERRED SOLUTION TO
DIVIDED GOVERNMENT IS A REPUBLICAN CONGRESS.]] // IN
THE MEANWHILE, I'LL KEEP PUSHING CONGRESS -- REACHING
OUT WHEN I CAN, GIVING A KINDER, GENTLER POKE NOW AND
AGAIN WHEN NECESSARY -- TO WORK WITH ME TO GET THE JOB
DONE. //

I CALLED ON CONGRESS TO JOIN ME IN RESPONSIBLE ACTION LONG BEFORE OUR ECONOMY BEGAN TO STRUGGLE. / I SAID BACK IN 1989 -- DURING THE LONGEST PEACETIME RECOVERY ON RECORD -- THAT AMERICA COULD NOT REST EASY, THAT WE NEEDED TO LOOK TO THE LONG-TERM, PUT IN PLACE POLICIES THAT WOULD SUSTAIN GROWTH AND CREATE JOBS. I OFFERED THEN THE FIRST OF THREE ECONOMIC GROWTH PACKAGES. THREE SESSIONS OF CONGRESS HAVE COME AND GONE. EVERYONE KNOWS THE RESULT: PRECIOUS LITTLE ACTION. //

EVERY ONE OF THE ECONOMIC PROPOSALS I'VE SENT UP TO CAPITOL HILL SERVES THE SINGLE STANDARD OF GENERATING GROWTH -- AND THAT INCLUDES THE CAPITAL GAINS TAX CUT MY OPPONENTS HAVE LABELED "CONTROVERSIAL." // MY OPPONENTS LIKE TO TREAT CAPITAL GAINS AS A CODE WORD FOR CLASS WARFARE -- EVEN AT THE VERY SAME TIME THEY'RE LEARNING TO PAY LIP SERVICE TO A CONCEPT CALLED COMPETITIVENESS. I WONDER WHETHER THEY REALIZE THE U.S. IS SADDLED WITH CAPITAL GAINS TAX RATES FAR HIGHER THAN OUR KEY INTERNATIONAL COMPETITORS? LOOK AT GERMANY: 0% -- NO CAPITAL GAINS TAX AT ALL -- ON ASSETS HELD LONGER THAN SIX MONTHS. OR CONSIDER JAPAN: AN ENTREPRENEUR WHO SELLS THE COMPANY HE'S BUILT FROM SCRATCH PAYS A TAX OF 1%. / IT'S TIME WE SEE THAT HIGHER COSTS FOR CAPITAL CRIPPLE COMPETITIVENESS -- AND COST AMERICAN JOBS. //

WHEN I DELIVER MY STATE OF THE UNION MESSAGE IN JANUARY, I WILL GO TO THE CONGRESS WITH A NEW ACTION PROGRAM -- I'LL CALL ON CONGRESS TO SET ASIDE POLITICS AND FOCUS ON THE PUBLIC INTEREST: I'LL CHALLENGE THEM TO ENACT A COMMON-SENSE SET OF ECONOMIC REFORMS. / IF WE DO OUR WORK PROMPTLY, WE'LL STILL HAVE PLENTY OF TIME LEFT IN 1992 FOR PARTISAN POLITICS. //

IN THE MEANTIME, THERE IS A GREAT DEAL WE CAN DO IN THE EXECUTIVE BRANCH TO FOSTER ECONOMIC GROWTH WITHOUT WAITING FOR CONGRESS TO ACT. WE WILL CONTINUE DOING ALL WE CAN TO DRIVE DOWN BARRIERS TO TRADE AND OPEN FOREIGN MARKETS TO AMERICAN GOODS. WE WILL SEEK WAYS TO LIFT THE BURDEN OF FEDERAL REGULATION WITHOUT COMPROMISING PUBLIC HEALTH OR SAFETY. AS I SAID MONDAY, WE WILL MOVE QUICKLY TO IMPLEMENT THE JOB-INTENSIVE TRANSPORTATION BILL -- AND I HAVE ORDERED FEDERAL AGENCIES TO REVIEW THE EFFECTIVENESS OF A FULL RANGE OF PROGRAMS: FROM SMALL BUSINESS LOANS TO JOB PLACEMENT AND JOB TRAINING, TO THE PROCESS FOR GETTING UNEMPLOYMENT CHECKS OUT TO THE WORKERS AND FAMILIES WAITING FOR THEM. // NONE OF THESE ACTIONS CAN SUBSTITUTE FOR EFFECTIVE CONGRESSIONAL ACTION -- BUT EACH CAN HELP MOVE THE ECONOMY ALONG. //

SO LET ME REPEAT: WE HAVE HAD A COMPREHENSIVE ECONOMIC GROWTH STRATEGY FROM THE BEGINNING, ENCOMPASSING EVERY ASPECT OF POLICY: DEFICIT REDUCTION TO LOWER INTEREST RATES; TAX INCENTIVES TO SPUR SAVING AND ENTREPRENEURSHIP; REGULATORY REFORM; INCREASED AND MORE EFFICIENT INVESTMENT IN OUR PUBLIC INFRASTRUCTURE; EDUCATION REFORM TO ENHANCE AMERICA'S HUMAN CAPITAL; TORT REFORM TO EASE THE COSTLY LITIGATION THAT SAPS OUR PRODUCTIVITY; BANKING REFORM TO MAKE OUR FINANCIAL SYSTEM SAFER AND MORE INTERNATIONALLY COMPETITIVE -- AND A TRADE POLICY AIMED AT OPENING THE NEW MARKETS THAT MEAN MORE AMERICAN JOBS.

I'M CONFIDENT WE CAN ACT TO ADVANCE AMERICA'S INTERESTS -- AND I'M CERTAIN WE MUST, BECAUSE OUR WORLD DEMANDS IT. / I'M CONFIDENT BECAUSE I REMAIN CONVINCED AMERICA'S "FUNDAMENTALS" ARE SOUND -- NOT JUST THE ECONOMIC INDICATORS I MENTIONED A FEW MOMENTS AGO, BUT THE BROAD FUNDAMENTALS THAT SUSTAIN AMERICAN SOCIETY: FAITH AND FAMILY. THE FEELING OF FELLOWSHIP THAT LEADS MILLIONS OF AMERICANS TO HELP NEIGHBORS IN NEED -- WITHOUT LOOKING TO WASHINGTON FOR GUIDANCE. AND OF COURSE, THE CORNERSTONE OF OUR AMERICAN IDEA: THE BEDROCK BELIEF IN FREEDOM THAT LED US FORWARD FROM VALLEY FORGE TO DESERT STORM TO THE NEW WORLD NOW UNFOLDING BEFORE US. //

LOOK OUT ON THE HORIZON: TO THE AMERICA THE ENTIRE WORLD LOOKS TO FOR LEADERSHIP. TO THE AMERICA THAT EXALTS ENTERPRISE AND SWEAT -- THE HANDS THAT WORK AND THE UNLIMITED POWER OF THE HUMAN MIND. TO THE AMERICA WHOSE VERY NAME MEANS FREEDOM FOR MILLIONS AROUND THE WORLD. / THAT AMERICA POSSESSES A POWER THAT DOES NOT OWE ITS STRENGTH TO GOVERNMENT -- ITS POWER BEGINS AND ENDS IN THE LIVING EXAMPLE OF ITS PEOPLE. //

- 17 -

ONCE AGAIN, I THANK ALL OF YOU FOR THIS WARM
WELCOME -- AND MAY GOD BLESS THE UNITED STATES OF
AMERICA.

#

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 4, 1991

REMARKS BY THE PRESIDENT
TO THE AMERICAN ENTERPRISE INSTITUTE ANNUAL POLICY CONFERENCE

The Willard Hotel
Washington, DC

12:53 P.M. EST

THE PRESIDENT: Thank you all very, very much. And, Chris, thank you for that warm introduction. And let me also single out my tennis opponent the other day, Paul Orrefice, your Chairman, and thank him for his service to this outstanding institution, which I was privileged to serve in a brief period of time back in the '70s. And I want to say how pleased I am that Nick Brady, our Secretary of the Treasury is with us today.

And then finally, to salute Irving Kristol, honored by AEI with this year's Francis Boyer Award. He's out here somewhere, and it hasn't been actually handed to him, but I'm told I'm not blowing the cover by -- here he is over here. Irving, congratulations, sir. (Applause.) And our gratitude for the abundance of insight that you bring to the study of American politics, the American system, and, indeed, American society. Irving has devoted so much of his effort the past three decades to making the world safe for democratic capitalism. That message now opens new worlds from Moscow to Warsaw. And I just wish we could say the same thing of Washington, D.C. (Laughter.)

Irving also runs one of America's most formidable one-man talent agencies. Not only his own son, Bill, who so ably serves this administration, but legions of proteges in every corner of the political and intellectual worlds open doors by saying, "Irving sent me." (Laughter.)

And I am pleased to -- very pleased -- when Chris invited me over here to have this chance to speak to all of you today. For me, AEI epitomizes something quintessentially American -- the engaged intellectual. And Chris referred to this, but many of you have served in government -- and lived to tell about it. (Laughter.)

AEI encourages the ideal of the citizen-scholar -- a kind of modern-day Cincinnatus: ready to answer your country's call, and when your work is done -- content to return to your word processors.

For the past three years you have been, and, again, Chris alluded to this, very gracious in offering me advice on all manners of issues. And I thank you for your support -- and, yes, for what I'll call your constructive criticism.

In the short space of those three years, we've seen our world literally transformed. The collapse of communism, the Cold War's end, the triumph of the democratic idea: each epoch-making event swept away the challenges, the conflicts, that defined the world we knew. Each opened up a new era -- a new world of possibilities.

MORE

And as I've said before, the Cold War was -- in its decisive aspect -- a war of ideas, a clash between two systems speaking to the deepest dreams and desires of man. And that battle was won by Western ideals. And the fact that in the nations of the old Warsaw Pact and even within the Soviet Union, free governments and free markets are now taking root, stands as a tribute to the ideas and ideals that guide this institution -- guide AEI.

Our new era brings with it a need for new guideposts for solutions and approaches that keep pace with the times. The fact that at long last we celebrate a world transformed inevitably means change here at home.

Right now, the focus here in Washington and across our country is on the economy. Yesterday I was in Bradenton, Florida, and then we flew over to Meridian, Mississippi, meeting with working Americans, listening to what's on their minds -- the same way I've tried to listen to people across America -- 48 states, as a matter of fact -- I've been to 48 states to be exact over the three years. And these are tough times we're in. And many Americans are worried. And they're looking for a sign from Washington that someone cares, understands what's happening. And I hope I've made clear that I do.

These people won't feel comforted by a weighty discourse on the difficulties of divided government. They know that whatever the Leading Economic Indicators might say, for a person who's lost the job, the unemployment rate is 100 percent. And they are impatient, tired of excuses. They want action, and they can't understand the political gridlock that too often paralyzes Washington, D.C.

But government and governing requires more than action for action's sake. You see, too many in Congress make the easy assumption that when polls tell us about dissatisfaction with Washington -- it means they want government to do more, take more power to itself. But that notion simply does not square with my sense of what people want. Yes, the American people want government to act -- but not to build new centralized bureaucracies or create more red tape. Across America, we see a demand for greater freedom of action. A public weary of mandates, regulations and taxes, that public wants to reverse the flow of government power -- to restore authority to the people.

In the political and social sphere, this new demand for freedom of action means policies that enhance the power of the individual and strengthen the family. You can see those ideas translated into action in this administration's stand against quotas and for real equality of opportunity; in our child care bill, a victory against the forces that saw this issue as a chance to build a brave new child care bureaucracy. You can see it in our HOPE program's emphasis on turning tenants into home owners -- and, indeed, in education where choice is an essential part of our America 2000 strategy.

Take a look at that strategy. What worries our critics -- the defenders of the status quo in the education establishment -- isn't that our plan won't work. They worry that it will work. They know that choice, competition and community involvement are revolutionary concepts -- capable of literally reinventing the American school. But that's what we want to do. That's what we're trying to do. That's what we must do.

In the economic sphere, the demand for freedom of action means policies that promote market-based solutions: The kind we fought for in the amendments to the Clean Air Act, and built into our energy strategy.

Let me focus in more detail about what this means given our current economic situation. No one should be complacent about the sluggish economy or stubborn unemployment rates. But we must not discount the fundamentals -- the underlying factors that propel our economy toward growth.

From the first, we've built our long-term growth strategy on several key elements: unleashing capital and reducing tax burdens; keeping inflation in check -- and interests rates down.

Second, we recognize the need to keep American business competitive: to slash red tape and regulations wherever possible, draw the line against government mandates that handcuff the American entrepreneur.

Chris DeMuth and Irving's son, Bill -- Bill Kristol -- with his involvement in the Competitiveness Council and Chris's past experience in doing a superb job on deregulation -- they both can tell you stories that will make your hair curl. True competitiveness includes also real tort reform -- capping these crippling sky's-the-limit liability awards, which exert such a strong chilling effect on entrepreneurs ready to bring new products to market.

Third, as a nation, we've got to make good on our commitment to quality education and job training, to ensure a workforce ready for the challenges a new century will bring.

Fourth, we've got to control the deficit. The American people need to understand that right now we spend \$286 billion dollars a year -- that's three-quarters of a billion dollars a day -- just to pay interest on the national debt. We've got to try to hold spending down -- and avoid driving interest rates up again.

And finally, we've got to make certain American businesses compete on an equal footing -- and that means a government committed to the principles of free and fair trade. We've fought to advance those principles from the EC to East Asia -- in the Uruguay Round and with our promising Enterprise for the Americas Initiatives.

We feel the benefits of foreign trade right here at home. Each additional billion dollars in manufactured goods and trade means another 20,000 American jobs. And yet in spite of the fact that last year alone, total gross exports accounted for virtually all of this nation's economic growth -- a new breed of isolationists seem to think domestic policy ends at the water's edge.

Well, thank God they weren't around back in 1492 -- imagine the hard time they'd have given Columbus. Voices on the right and left are working right now to breathe life into those old flat-Earth theories of protectionism, of isolationism. But there is no going back. Our new world is far smaller, communications far more instant. Our horizons stretch much farther with each generation. This is 1991 -- not 1791; a horse-and-buggy attitude won't carry us into the next century.

On certain issues -- many in the foreign policy sphere -- the President possesses all the authority he needs to advance an ambitious agenda. But there are things no President can do unilaterally -- times when the need for action finds the President and Congress pulling in different directions. I don't approach the problem of divided government as a political scientist. The ideal solution, in my view, to divided government remains a government united in pursuit of the public good. In other words, to be candid, my preferred solution to divided government is a Republican Congress. (Applause.) In the meanwhile, I'm going to keep pushing Congress -- and I mean this. It is important because of what I told you I feel

about this economy -- reaching out when I can, giving a kinder and gentler poke now and again when necessary -- to get up with Congress to work with me to get the job done.

I called on Congress to join me in responsible action -- I think history will show this to be an accurate statement -- long before our economy began to struggle. I said back in 1989 -- during the longest peacetime recovery on record -- that America could not rest easy, that we needed to look to the long-term, put in place policies that would sustain growth and would create jobs. And I offered then the first of three economic growth packages. Three sessions of Congress have come and gone, and everyone knows the result: precious little action.

Every one of the economic proposals that I've sent up to Capitol Hill serves the single standard of generating growth -- and that includes, yes, the capital gains tax cut that my opponents have labeled as controversial. My opponents like to treat capital gains as a code word for class warfare -- even at the very same time they're learning to pay lip service to a concept called competitiveness. And I wonder seriously whether they realize the United States is saddled with capital gains tax rates far higher than our key international competitors? Germany -- take a look at Germany: zero percent. No capital gains tax at all on assets held longer than six months. Or Japan. An entrepreneur who sells the company he's built from scratch pays a tax of one percent. And it's time we see and understand that higher costs for capital cripple competitiveness -- and cost American jobs. (Applause.)

When I deliver the next State of the Union message -- when I deliver my State of the Union message in January, I will go to Congress with a new action program, and I'll call on Congress to set aside politics -- I know we're in an election year then -- and focus on the public interest. And I'll challenge them to enact a common-sense set of economic reforms. And if we do our work promptly -- and we can; Congress can act fast when they want to -- we'll still have plenty of time left in 1992 for partisan politics.

In the meantime, there is a great deal we can do in the Executive Branch to foster economic growth without waiting for Congress to act. And we're going to continue doing all we can to drive down barriers to trade, open foreign markets to American goods. We will seek ways to lift the burden of federal regulation without compromising public health or safety. And as I said Monday, we will move quickly to implement the job-intensive transportation bill that has just been passed. And I have ordered federal agencies to review the effectiveness of a full range of programs -- from small business loans to job placement, job training, to the process for getting unemployment checks out to the workers and families waiting for them. None of these actions can substitute for effective Congressional action, but each can help move the economy along.

So let me repeat. We have had a comprehensive economic growth strategy from the beginning, encompassing every aspect of policy: deficit reduction to lower interest rates; tax incentives to spur saving and entrepreneurship; regulatory reform; increased and more efficient investment in our public infrastructure; education reform to enhance America's human capital; tort reform to ease the costly litigation that saps the very productivity of this country; and banking reform to make our financial system safer and more internationally competitive -- and a trade policy aimed at opening the new markets that mean more American jobs.

I'm confident that we can act to advance America's interests -- and I'm absolutely certain we must, because our world demands it. I'm confident because I remain convinced America's fundamentals are sound -- not just the economic indicators that I mentioned a few moments ago, but the broad fundamentals that sustain American society: faith and family. The feeling of fellowship that leads millions of Americans to help neighbors in need -- without

looking to Washington for guidance. And of course, the cornerstone of our American idea -- the bedrock belief in freedom that led us from Valley Forge to Desert Storm to the new world now unfolding around us.

Look out on the horizon to the America the entire world now looks to for leadership. It is our country. To the America that exalts enterprise and sweat -- the hands that work and the unlimited power of the human mind. To the America whose very name means freedom for millions around the world. That America possesses a power that does not owe its strength to government. Its power begins and ends in the living example of its people.

Once again, I thank all of you for this opportunity to speak before your most prestigious board, your wonderful organization, and may God bless the United States of America. Thank you very much. (Applause.)

END

1:14 P.M. EST

12-4-91

5:30 7 PM

Meet with all the points
with Sam Shinn as he is

- ① Coordinate Communications Policy about
W.H. Staff
Cabinet
Other Admin. Spokesman
Work with Campaign

* become
COPS

- ② Stay informed on but not of
Foreign Affairs -

~~Int~~
Scowcroft have WH lead
on NSC (DOD, DOS, CIA, USTR,
[Galt])

Sit down with Brent

- ③ Re: Possible Counsellors in Future

- ④ Campaign
Close Cooperation
Schedule
Subunits

Let Campaign work the States -
Help set priorities for Pres. time
and message -

Be sure I have proper input on
Convention - not micro manage.

- ⑤ Congress -

Pres "access"

- a) staff
b) Cabinet

- ⑥ How White House Works -

2-30-81

18-4-81

Must own the two town
with own deputy
choose own deputy

2402

State - W
division

Need to talk to MC's

Core Group

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- in A A unit

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THE CHAIRMAN

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

December 3, 1991

31 DEC 3 PII : 35

To: The President

From: Mike Boskin *MB*

Re: Revised Estimates of Real Economic Growth for the 2nd and 3rd Quarters of 1991

Tomorrow morning, the Commerce Department will issue revised estimates of economic growth for the 3rd quarter of 1991 and major statistical and conceptual revisions to the data since 1977. Everyone will be very confused because they are simultaneously:

1. Shifting from real gross national product (GNP)--the value of goods and services produced by the nation's residents, whether working here or abroad--to real gross domestic product (GDP)--the value of goods and services produced in the country--as their primary measure of economic activity. For example, GNP includes profits earned abroad by U.S. owned companies, whereas GDP does not. Conversely, the profits of U.S. based foreign multinationals count in our GDP, but not in our GNP. Most other countries use GDP. It will take quite some time for the public to get used to this distinction, although for practical purposes, it is not nearly as important for the United States as for some other countries for which GNP and GDP can differ by up to 30 percent.
2. Shifting from a 1982 base to a 1987 base for the price index to adjust all dollar values for inflation. This sort of adjustment is made every five years or so. It will decrease the historical estimate of growth slightly for technical reasons.
3. Massive data revisions and reclassifications that are quite technical and detailed.

The upshot of all this is that real gross domestic product (GDP) is now estimated to have grown at 1.7 percent in the third quarter (compared to a 2.4 percent increase in GNP measured in 1982 dollars reported earlier). Even with all the confusion--and I apologize that I cannot make this any simpler and easier to understand for you--this will be considered below what was expected.

There are a variety of likely "spins" on these data revisions. One could be the recession was deeper than previously thought, since the decline in the fourth quarter of 1990 and first quarter of 1991 are larger when measured in 1987 dollar GDP than when measured in 1982 dollar GNP. However, growth turned positive sooner, as real GDP grew 1.4 percent in the second quarter compared to a decline in GNP of 0.5 percent.

Perhaps the safest thing to say is it's good news that the decline stopped and the economy began to turn around, however measured, but that sluggish growth is not sufficient.



EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

December 3, 1991

THE CHAIRMAN

31 DEC 3 PM: 35

MEMORANDUM FOR THE PRESIDENT

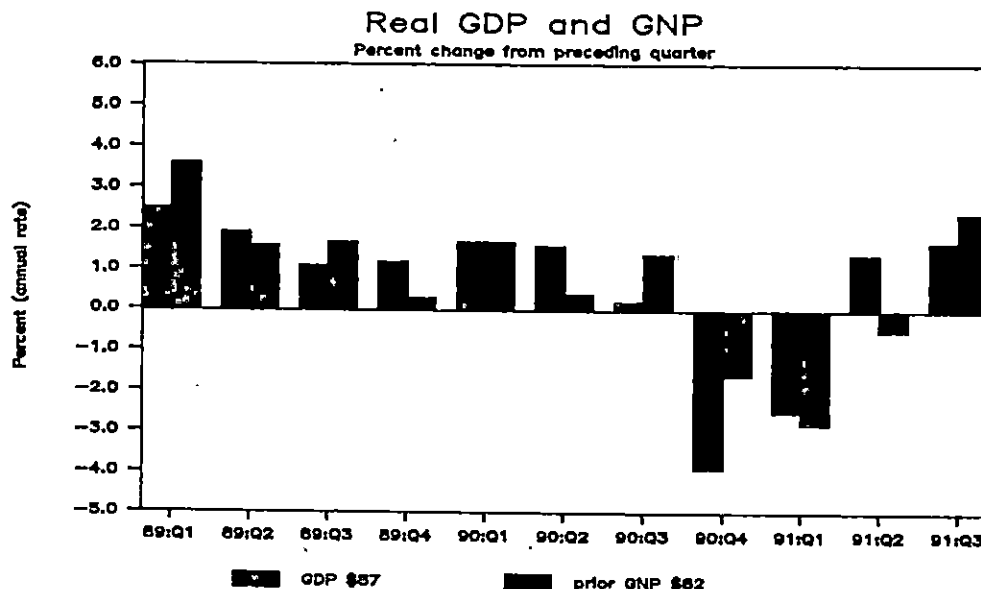
FROM: MICHAEL J. BOSKIN *mb*

SUBJECT: Preliminary Estimate of Third-Quarter GDP,
Commerce Department Release, Tomorrow, 8:30 a.m.

Real gross domestic product (GDP), measured in 1987 dollars, rose 1.7 percent at an annual rate in the third quarter, according to preliminary estimates released by the Commerce Department. Real GDP rose 1.4 percent in the second quarter.

The newly released data reflect the results of the ninth comprehensive, or benchmark, revision of the national income and product accounts; the last comprehensive revision occurred in 1985. This time, there were two major changes incorporated in the revision: (1) the base period was updated from 1982 to 1987 for calculating constant-dollar measures of production; and (2) the Commerce Department shifted to a new measure of the Nation's production, gross domestic product (GDP), instead of gross national product (GNP). While GDP measures production in the United States, GNP measures production by U.S. residents. Additional definitional and statistical changes were incorporated in the comprehensive revision. As part of the comprehensive revision, new GDP figures will be calculated as far back as 1929.

As the chart below shows, the revised estimates present a somewhat different picture of the performance of the economy over the past several years. In particular, the recession was somewhat deeper and shorter when measured in terms of GDP in 1987 dollars rather than in terms of GNP in 1982 dollars.



THE WHITE HOUSE
WASHINGTON

November 13, 1991

Bob
see page 2

GB
245
12-4-91

MEMORANDUM FOR THE PRESIDENT

FROM: C. BOYDEN GRAY Original signed by CBG

SUBJECT: Campaign-related Activity

Your question to me about the consequences of identifying a campaign director from among those now in the Administration raises additional issues, which I believe should be addressed as soon as possible.

First, as you know, your decision to authorize a principal campaign committee and to accept contributions for a possible re-election bid made you a candidate under Federal Election Commission ("FEC") regulations, even though you have not formally announced your candidacy. This means that, both practically and legally, your activities will increasingly be considered "campaign-related" and will need to be supported by the campaign and not out of the White House.

When President Reagan ran for re-election eight years ago, his campaign committee was set up to support all campaign-related activity at an early date. This process began in October 1983, when President Reagan authorized the formation of a principal campaign committee, even though he did not formally announce his candidacy until January 1984, and consisted of the following:

- o Paul Laxalt was named to head the campaign in October 1983;
- o Ed Rollins and Lee Atwater moved over to the campaign at the same time and the Office of Political Affairs at the White House was shut down;
- o the campaign obtained enough staff to handle all campaign correspondence, speech-writing, and campaign-related travel arrangements; and
- o Counsel to the President Fred Fielding issued guidance to all White House staff cautioning against any use of government resources for campaign-related activity.

I believe a similar course of action should now be adopted. My staff has been working with some of the offices in the White House to solve the practical problems that have already arisen.

I also propose to issue guidance to all White House staff that mirrors the advice given by Fred Fielding in 1984. However, there is an increasing need to draw a line between your campaign and the official activities of the White House.

Pending your declaration of candidacy, the Republican National Committee could assume responsibility for many of the campaign-related tasks that cannot be performed at the White House. But strict accounting and management controls would have to be put in place because of the need to ensure that the campaign would pay for any costs that are attributable to it. Alternatively, and perhaps more simply, you could authorize the campaign to hire enough staff to handle the campaign-related work that must be done between now and the time that you decide to establish a full-fledged campaign organization.

Second, let me address the specific question of whether there are any legal ramifications that would follow from an announcement that a person in the Administration will head your campaign.

Because you are already a "candidate" under FEC rules, there would be no legal consequences to you or your campaign. The person who you name would be subject to a few additional ethical restrictions. Primarily, however, to avoid the kinds of questions that were raised about Chairman Yeutter and Attorney General Thornburgh after the announcement of their delayed departures, I recommend that whoever is selected should assume his or her responsibilities at the campaign as soon as possible after being named. No matter how careful you are about when your campaign formally begins, there will be inevitable criticism that taxpayers are funding the campaign if he or she remains in the Administration after the announcement.



12-4-91

Bob-

Thanks!

It's not easy figuring
Congress and lousy economics
at the same time - Saddleman
was easier, but I'm

By

going to keep on
shipping it out —
Glad you're at my side

P E R S O N A L

NOTE FROM: Governor Bob Martinez

DATED : 12/4/91

Dear Mr. President:

A political note. In the successful 1988 Bush/Quayle campaign for President,

✓ Americans saw you as a forceful and informed leader on domestic and
international issues. In 1991, Americans see you as a forceful and very
✓ successful leader on international issues, but on domestic issues they often
hear the voice of advisors sometimes providing conflicting views.

Your very capable dominance of international issues has raised the public's
expectations of your ability to handle domestic issues in a like manner. Mr.
President, to meet the public's expectations you must be seen as the
Commander-in-Chief of the domestic agenda.

As a member of your 1987 and 1988 campaign team, I stand ready to assist you
in whatever you ask of me. America needs your steady hand at the controls.
Mary Jane and I wish you and Barbara a wonderful Christmas.

Respectfully,

Bob



OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500

THE DIRECTOR

December 4, 1991

Dear Mr. President:

A political note. In the successful 1988 Bush/Quayle campaign for President, Americans saw you as a graceful and informed leader on domestic and international issues. In 1991, Americans see you as a graceful and very successful leader on international issues but on domestic issues they often hear the voice of advisors sometimes providing conflicting views.

Your very capable dominance of international issues has raised the public's expectations of your ability



OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500

THE DIRECTOR

to handle domestic issues in a like manner. Mr. President, to meet the public's expectations you must be seen as the Commander-in-Chief of the domestic agenda.

As a member of your 1987 & 88 Campaign team, I stand ready to assist you in whatever you wish of me. America needs your steady hand at the controls.

Mary Jane and I wish you and Barbara a wonderful Christmas.

Respectfully
Bob

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07. Letter	From George Bush to Senator John Chafee Re: their telephone call [redaction] (1 pp.)	12/04/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 4, 1991

Date Closed: 3/11/2014	OA/ID Number: 90638-001
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

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

PRM. Removed as a personal record misfile.



THE PRESIDENT

PERSONAL

12-4-91

Dear Chate —

You are one thoughtful
guy. Thanks so very much
for the phone call. Have no
womres about me. I am
not "down" at all. I wish

DAILY FILE

NOTHING TO
CENTRAL FILES

HAVE THIS HANDCARRIED
TO HILL

TYPE ANOTHER ENVELOP
AND PUT THIS ONE IN
IT

the damn economy were
on the move but it will
come back.

That you care really
counts - thanks so much.

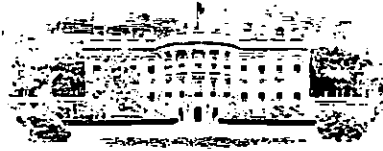
Bill Burt - *[Signature]*

P.S. I too am high
on (b)(6); but I will not
go into him as Col Staff. He'd be good
thanks

THE WHITE HOUSE

Senator John Chafee

personal



2-4-91

French -

Thanks for my A.M.
msg. I'm all fired up
about the library.

But on But

THE WHITE HOUSE
WASHINGTON

The Honorable J. French Hill
Special Assistant to the President
and Executive Secretary
Economic Policy Council

CC:
✓Patty Presock (note & msg)
Don Rhodes (note & msg)

msg=library story

THE WHITE HOUSE
WASHINGTON

December 2, 1991

MEMORANDUM FOR THE PRESIDENT

FROM: J. FRENCH HILL *J.F.H.*
ECONOMIC POLICY COUNCIL

SUBJECT: TEXAS AGGIES

Martha and I missed being with George and Laura at the "Big Game." The in-laws, Bill and Sally McKenzie, send their love.

The attached program has some George Bush Library notes.

Reading file

Desh

CHB

~~_____~~
~~_____~~

TEXAS A&M

Official Game Program

\$3



The Texas Game

November 28, 1991

TEXAS A&M UNIVERSITY

Future Site of the George Bush Presidential Library



campus in Koriyama, Japan, and a study center in Italy.

Founded in 1871 and opened for classes October 4, 1876, Texas A&M is the state's first public institution of higher learning. It is a land-grant, sea-grant and space-grant university — one of only a few institutions to hold all three designations — was selected in May 1991 as the future site of the George Bush Presidential Library. The University also operates a branch

About the Student Body

Texas A&M's 1991 fall enrollment is expected to exceed 41,000 students, including more than 17,000 women, 4,200 Black and Hispanic students, 7,900 graduate and professional (D.V.M. and M.D.) students and 2,500 international students representing more than 100 countries. During the 1990-91 academic year, Texas A&M was seventh nationally in terms of overall enrollment.

The University is organized into 10 academic colleges:

APPROXIMATE ENROLLMENT	APPROXIMATE ENROLLMENT
College of Agriculture and Life Sciences 5,000	College of Engineering 9,800
College of Architecture 1,500	College of Geosciences 700
College of Business Administration and Graduate School of Business 6,600	College of Liberal Arts 6,700
College of Education 3,400	College of Medicine 200
	College of Science 2,900
	College of Veterinary Medicine 1,600
	General Studies Program 2,700

Texas A&M's Colleges of Engineering, Business Administration/Graduate School of Business, Agriculture and Life Sciences, Architecture and Veterinary Medicine are among the largest such academic units in the nation.

The University's 1990-91 freshman class included 131 new National Merit Scholars, which placed the institution seventh in the nation in enrollment of these highly sought-after young scholars. More than 1,200 students attend Texas A&M on major four-year academic scholarships and approximately 7,000 Aggies receive some form of scholarship aid.

Texas A&M has the best student retention rate for any public institution in the state according to the Texas Higher Education Coordinating Board. In addition to having the best record overall, Texas A&M ranks first in retaining Black and Hispanic students and helping them remain on track toward graduation.

The average Scholastic Aptitude Test (SAT) score for 1990-91 entering freshmen was 1047, which exceeds the national average by 147 points. The composite score (484/verbal, 563/math) is eight points above the 1989-90 average.

Approximately 2,100 students participate in the University's Corps of Cadets. Texas A&M has historically commissioned more military officers than any college or university in the nation with the exception of the service academies.

The University offers 151 fields of study at the undergraduate level, 148 at the master's level, 105 at the doctoral level and two professional degrees, the M.D. and D.V.M.

About the Faculty

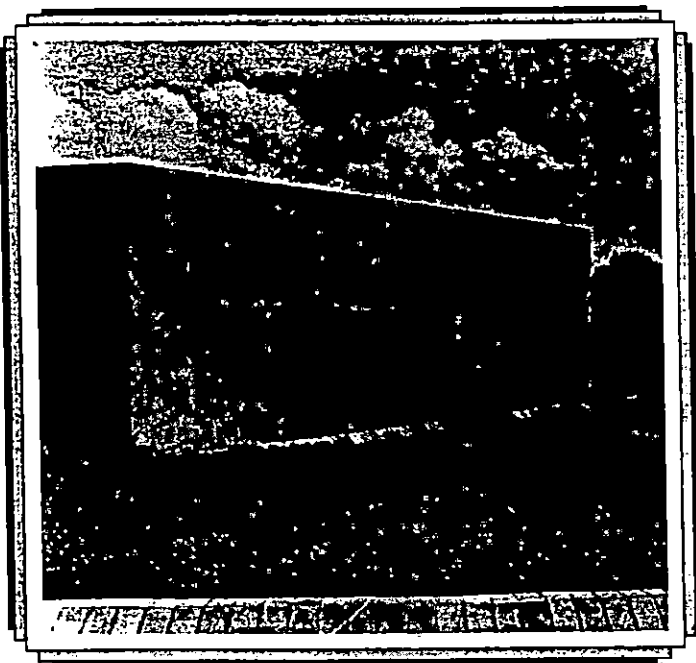
Texas A&M has approximately 2,200 faculty members, more than 80 percent of whom hold doctoral degrees. The faculty includes two Nobel Prize recipients — Dr. Norman Borlaug, winner of the 1970 Peace Prize, and Sir Derek Barton, winner of the 1969 prize for chemistry — and a Pulitzer Prize-winning playwright, Charles Gordone. Dr. F. Albert Cotton, Distinguished Professor of Chemistry, holder of the W.T. Doherty-Welch Foundation Chair in Chemistry and a recipient of the National Medal of Science, is one of the five most referenced scientists in the world.

About Research

■ The research budget for fiscal year 1990 (ending August 31, 1990) was \$272.8 million. Texas A&M's fiscal year 1989 total of \$250.7 million resulted in a ranking of eighth nationally by the National Science Foundation — and first in the South and Southwest.

■ Texas A&M operates one of the largest university fleets in the nation, with vessels ranging from a 470-foot deep ocean drilling ship to a converted oceanliner used as a floating classroom. The fleet also includes small craft used for pollution studies along the Texas coast.

■ A 434-acre high-tech research park was opened in 1986 and is headquarters for the worldwide Ocean Drilling Program, for which Texas A&M serves as science operator. The park's first corporate facility, the headquarters of Granada Genetics Inc., opened in September 1987. The USDA's Food Safety and Inspection Service National Training Center and the National Science Foundation-funded Offshore Technology Research Center both opened in 1990; and the Centeq Research Plaza opened in July of this year.



About Budgets, Funding and Organization

■ The operating budget for fiscal year 1990-91 is \$550,575,793 for Texas A&M University and \$1,020,952,301 for The Texas A&M University System.

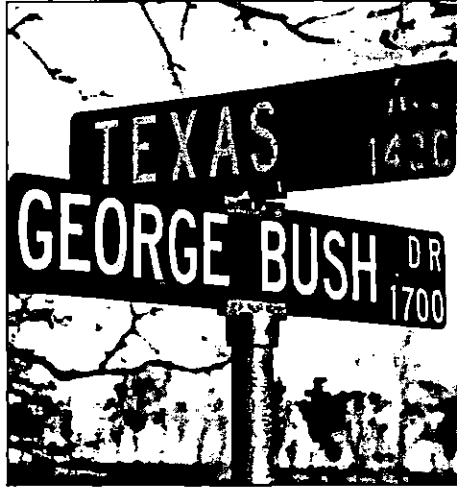
■ The University's 5,200-acre physical plant — one of the largest in the nation — is valued at approximately \$1 billion, with one-quarter of that value added within the past decade. The Texas A&M University System's lands statewide total 60,161 acres.

■ Private support from alumni, industry and foundations totaled \$46.5 million last year, placing the University among leaders nationally. Texas A&M's endowment is valued at more than \$1 billion, including its share of the Permanent University Fund, to rank seventh nationally.

■ The Texas A&M University System is composed of six academic institutions in addition to Texas A&M: Corpus Christi State University, Laredo State University, Prairie View A&M University, Tarleton State University, Texas A&I University and West Texas State University. The System also includes the following state agencies:

Texas Agricultural Experiment Station
Texas Agricultural Extension Service
Texas Forest Service
Texas Animal Damage Control Service

Texas Veterinary Medical Diagnostic Laboratory
Texas Engineering Experiment Station
Texas Transportation Institute
Texas Engineering Extension Service



Preparation Begins For Bush Library

TTrue Aggie spirit sparked President George Bush's decision to locate his library and museum on the Texas A&M University campus. The combined efforts of former students, students, administrators, faculty and staff as well as local community leaders resulted in the exciting White House announcement on May 3, 1991.

In a letter to Ross D. Margraves, Jr., chairman of The Texas A&M University System Board of Regents, Mr. Bush said, "I was particularly pleased to note the University's commitment to integrate the library into the academic activities of the University. The school's planned public service school and Center for Presidential Studies will foster strong links between the library and the University and offer a splendid opportunity for scholarly involvement by other institutions of higher education, not only in Texas, but elsewhere in the United States."

Efforts to bring the Bush Library to Texas A&M began in November 1988, when Michel T. Halbouty suggested the site in a private meeting with President-elect Bush. Because Mr. Bush indicated an interest in the suggestion, the Texas A&M George Bush Presidential Library Steering Committee (later changed to the Bush Presidential Library Committee) was appointed by William A. McKenzie '44, who was then chairman of The Texas A&M University System Board of Regents. Mr. Halbouty was named chair. Other members, in addition to Mr. McKenzie, were Dr. Perry L. Adkisson, James B. Bond, '58,

Preston Geren, Jr., '45, FAIA, Fort Worth, John H. Lindsey, Houston, Dr. William H. Mobley, president of Texas A&M University, Louis M. Newman III '66, Bryan, and Bookman Peters '59, Bryan. Later, other committee members were appointed, including the President's dear friend, C. Fred Chambers, Houston, and Paul Kennon '55, FAIA, Houston (now both deceased), Edmund P. Pillsbury, Fort Worth, and Regent Royce E. Wisenbaker, Tyler. Shirley Joiner and Michael O'Quinn, assistants to the chancellor, were assigned to the committee staff, and Ty Clevenger, 1989-90 speaker of the Student Senate, served as the student body representative.

The proposal submitted to President Bush set aside an attractive site of at least 90 acres for the Presidential Center just south of the Texas A&M University Research Park. It is located on George Bush Drive, formerly Jersey Street, near FM 2818. Some suggestions for construction were part of the Texas A&M proposal, although specific building and site designs will be planned with the President and his advisors and also are subject to congressional review.

Because Mr. Bush expressed obvious approval for the academic aspects of the Texas A&M proposal, officials feel that the decision to place the library on campus will greatly enhance education and research at the University.

Dr. Adkisson, chancellor of The Texas A&M University System at the time the invitation was made to Mr. Bush, has been appointed executive director of Texas A&M's George Bush Presidential Library Office of Coordination. Ms. Joiner was named assistant executive director.

The Presidential Library and Museum complex will house the Bush Library's archives, the museum, administrative offices and accommodations for President and Mrs. Bush as well as offices, classrooms and conference areas for a proposed George Bush School of

Government and Public Service. The school will offer graduate education for future public leaders at all levels and will encompass two research centers—the Center for Presidential Studies and the Center for Public Leadership Studies.

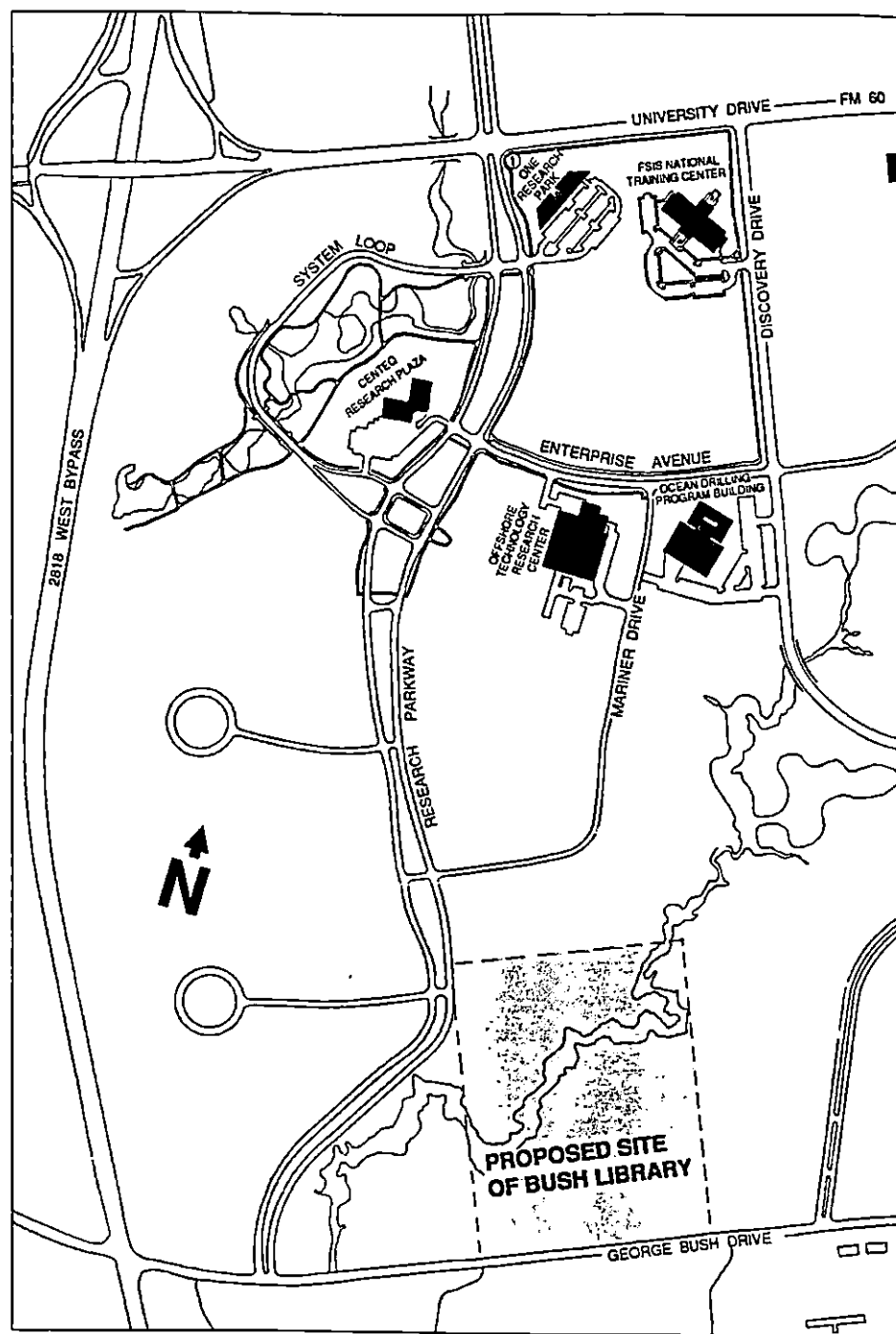
The Board of Regents established the Center for Presidential Studies in late January, several months before the library site was chosen. Center director is Dr. George C. Edwards III, a distinguished professor of political science. The Center for Public Leadership Studies will be established soon. In the brief existence of the Center for Presidential Studies, substantial progress has been made. It has become the repository for data from the Gallup Poll and the CBS/New York Times Poll, Newsweek, and pollsters Lance Tarrance and Richard Wirthlin.

The final proposal presented to President Bush offered a number of reasons for locating the library on the Texas A&M campus, including:

- mutual ideals shared by President Bush and Texas A&M
- related scholarly programs
- accessibility to most of Texas' population
- academic excellence of Texas A&M
- commitment of the University to the project
- enthusiastic support of the area, the faculty, the administration, student body and Former Students
- availability of an attractive site
- protection of the site from commercial development.

President Bush's ties to Texas A&M are strong and of long duration. His earliest appearance was at an MSC Great Issues program in the 1960s. Later, he campaigned for the U.S. Senate in 1970 and for the Republican nomination for President in 1983 at Texas A&M. As vice president, Mr. Bush spoke at the 1984 commencement and at the 1989 commencement as president.

The President's affinity for Aggies is further exemplified by members of his staff: Frederick D. McClure '76,



assistant to the president for legislative affairs; Donald C. Rhodes '65, a presidential assistant; and Lt. Col. Robert D. Barr '68, pilot of Air Force One. He seems to surround himself with Aggies.

Locating the Bush Presidential Library and Museum at Texas A&M will serve most of the state's population easily. Because 77 percent of Texans live within 200 miles of Bryan-College Station, the library will be readily accessible to large numbers of people. The close proximity of the L.B.J. Library in

Austin allows the majority of schoolchildren in our state to visit two presidential libraries and two great universities in two days from nearly anywhere in Texas. The natural setting of 90 acres allows for trees, lakes, running streams, grass, landscaping and jogging trails.

Texas A&M University, working with the President and the National Archives, is in the process of selecting an architectural firm. Fund raising activities for the George Bush Presidential Library and Museum will begin soon.



THE PRESIDENT

12-4-91

Dear Joe -

My thanks, most
sincere thanks, to all at
Bushnell. The ocean
literally gobbled up
3 pairs of binoculars -

gone to Davey Jones locker.
One pair was found 50
yards from our house
filled with water - so your
gift is a God-send.

May thanks,

Cy Bush

Mr. B. Joseph Messner
Vice President
and President, Bushnell Division
Bushnell
300 North Lane Hill Avenue
San Dimas, California 91773

Blind cc:
Nikki Richnow (in & out)
Patty Presock (in & out)

THE

BUSHNELL

300 North Lone Hill Avenue
San Dimas CA 91773

714 592 8090
Fax 714 592 8008

B. Joseph Messner
Vice President
and President
Bushnell Division

**BAUSCH
& LOMB**
Healthcare and Optics
Worldwide

November 19, 1991

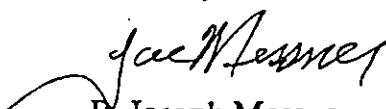
The Honorable George Bush
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

Dear Mr. President:

A recent Associated Press story stated your binoculars were among the personal items lost in the storm that damaged your Kennebunkport home. As a fellow outdoorsman, I know binoculars are a vital part of your leisure time gear. Though we can't control Mother Nature, we can compensate for her devastation.

Enclosed is a pair of Bausch & Lomb 10X28mm fogproof/waterproof binoculars to replace the pair I understand you lost. I hope your schedule will permit some quality viewing time.

Sincerely,



B. Joseph Messner
Vice President and President, Bushnell Division

BJM/lmm
"481"

Enclosure

Commercial

WHITE HOUSE GIFT UNIT

ID 9136005 A INITIALS JHP

LOGGED 911127 ARRIVAL 911127 PRESENT 911127
ARRIVAL FORM M MAIL ROOM

DONOR V VIP
PREF MR.
NAME B. JOSEPH MESSNER

TITLE VICE PRESIDENT AND PRESIDENT
ORG BUSHNELL

ADDR 300 NORTH LONE HILL AVENUE

CITY SAN DIMAS ST CA ZIP 9173

SALUT DEAR MR. MESSNER;
ACKNOWLEDGE BY GB FORM DFT

INTEND P PRESIDENT
CATEGORY 9999
MISCELLANEOUS - N.E.C.

DESCRIP BINOCULARS. PAIR OF BAUSCH & LOMB 10X28 MM FOGPROFF/WATERPROFF
BINOCULARS, VERY NICE QUALITY.

VALUE 000589
APPR VALUE PER BUSHNELL, (714/592/8000).

DISP ~~GC~~ GIFT UNIT - CUPBOARD
PR

COMMENT -SENT AFTER POTUS' LOST PAIR OF BINOCULARS IN THE STORM THAT HIT
-KENNEBUNKPORT.

Patty: Would the President want to keep
these? Please note that they are
are over value.

OTVALU 0000589 GIFTS A

Nikki

We will do acknowledgment since it
is commercial - unless you have
other thoughts.



THE PRESIDENT

December 4, 1991

Dear Lana,

Many thanks for that thoughtful letter. The storm damage at Walker's Point was extensive, but we've already begun to rebuild and revive. Thanks for caring.

We want to see you and Ed when you're in Washington, so I've asked Laurie Firestone to invite you to one of our Christmas receptions here at the White House. Hope to see you then.

Barbara sends warmest regards, too. Your friend,

FROM

THE WHITE HOUSE

WASHINGTON, D.C.

Mrs. Lana Bethune
13 Country Club Circle
Searcy, Arkansas 72143

(INCOMING & OUTGOING)

cc: MRS. BUSH

(FOR YOUR INFORMATION)

LAURIE FIRESTONE
(FOR FURTHER ACTION)

ROSE ZAMARIA
(TO REMIND THE PRESIDENT)

✓ PATTY PRESOCK
(FYI)

Letter from Lana Bethune
Dated: November 20, 1991

Dear President Bush,

Ed and I were so upset with the sotrm damage we saw on television of your home in Kennebunkport. The beautiful rooms we remember from our visit in 1982 looked destroyed as I know you and Bar were when you arrived and saw them. Having survived being rescued at sea in our 31 foot sailboat SALUTE last year, we know that devastated feeling of loss and the gratitude that no lives were lost. We truly hated to lose our boat. It was the one you boarded when we came up the Kennebunk River. We have a story to tell and will give you and Barbara a preview of our book (The one we are going to write someday!) when we have a chance to visit. You know what a sea rescue is like! The Coast Guard team that saved us has been honored!

We are monitoring the Bill Clinton campaign for you here in Arkansas and are ready to go to work again for the Bush-Quayle Team as we did in 1988. We hvae that "outside the beltway" perspective again. And the Atwater Southern approach.

Ed has an office in Washington and one in Arkansas. We will be there the second week in December, Monday the 9th till Friday 13th. Hpe to see yu both then or in the early months of 1992 when we will be there again.

Our best wishes,

Lana Bethune

G U I D A N C E
REGARDING REQUEST FOR A MEETING:

☒ invite to Christmas reception
☐ 10 min. coffe in oval 7:45 a.m.
☐ OTHER:

THE PRESIDENT HAS SEEN

Lana Bethune

Wednesday, November 20, 1991

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Bush,

Ed and I were so upset with the storm damage we saw on television of your home in Kennebunkport. The beautiful rooms we remember from our visit in 1982 looked destroyed as I know you and Bar were when you arrived and saw them - Having survived being rescued at sea in our 31 foot sailboat Salute last year, we know that devastated feeling of loss and the gratitude that no lives were lost. We truly hated to lose our boat - It was the one you boarded when we came up the Kennebec River -

We have a story to tell and will

give you and Barbara a preview of
our book (the one we are going to write
tomorrow!) when we have a chance to

visit — You know what a sea rescue is like!
The coast guard team that saved us has been honored!
We are monitoring the Blue Clinton

campaign for you here in Arkansas

that are ready to go to work again

for the Bush-Perry team as we did

in 1988 — We have that outside the beltway
perspective again — And the Attorney General approach.
It has an office in Washington and

me in Arkansas — It will be there

The second week in December, Monday the

9th till Friday 13th. Hope to see you

both times in the early months of

1992 when we will be there again —
Our best wishes —

John Dillman

13 Thursday Club Club
Society. Arkansas 73143

501-268-3655



daily

THE WHITE HOUSE
WASHINGTON

DATE:

12-4-91

FROM THE PRESIDENT

TO:

Brent cc: Kathy Super

Re: Overseas Trip Dec. 31 etc.

If I will go hunting I will come back from Beeville
and we will leave for Australia from Wash. DC

Gov. Sununu will go on trip
Sam Skinner will NOT go on trip.

ly



THE PRESIDENT

Dec. 4, 1991

Marty,

I'm watching !!!

Statesmanship is what

I'm looking for.

Kindly & Gentlly Yours

P.S. Can you
be bought for 3 T.Hersto.

Cap Bush

THE WHITE HOUSE

Cong. Russo

country of Dick Darman

Daily file
12/4



December 3, 1991

David

Gregg

To Chris Evert, Pam Shriver, Ivan Lendl plus our five kids
Spike Hemenway, Bates, Dorrance, tony Thompson, Petersmeyer.

Dear _____,

Did you know this about our family? Now you understand why I have
such a blinding serve and fan-jet forehand!

Devotedly (to five kids) - Doro, George, Teb
Sincerely (to tennis players) MARVIN, NEIL

type on cards- date to morrow, I'll sign attach cc of Wear clip.

FROM THE PRESIDENT

Bush Library Photocopy
George Bush Handwriting

THE WHITE HOUSE

December 11, 1991

GS
11

Dear Mr. President:

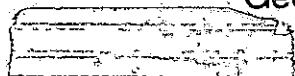
I have passed your recent article on to the Ranking Committee. I'm sure the committee will duly note the pedigree exhibited in both the USGA and the Davis Cup.

I'm confident the committee will take this information into account as they prepare for the 1992 seasons.

Respectfully,


Dorrance Smith

Bush Presidential Library Photocopy



Joe Wear Named Davis Cup Captain for Oversea Drive

Accepts Post After Urging by Walker, Donor of Cup, and Prescott Bush, Head of United States Golf Association

Evening Public Ledger 5/2/35

By HERB JASPAN

Joseph W. Wear, of Penlylyn, yesterday accepted the 1935 Davis Cup captaincy for the campaign overseas after being urged to do so by his brother-in-law, George H. Walker, donor of the Walker Cup, and nephew, S. Prescott Bush, president of the United States Golf Association.

Thus one of Philadelphia's foremost sportsmen, linked by family ties to two distinguished golf figures, takes an equally important place beside them in the tennis spotlight.

It was with the deepest satisfaction that Chairman Holcombe Ward, of New York, learned of Wear's favorable decision, particularly because of his familiarity with the Davis Cup assignment, having previously served as chairman and captain.

In the three years that Wear held the Davis Cup chairmanship, 1928-29-30, America always succeeded in reaching the challenge round, this despite the fact it no longer had the material to maintain tennis leadership.

He took command after the United States internationalists, Tilden, Johnston and Hunter, had been forced to bow before the prowess of France's Four Musketeers, Rene Lacoste, Henri Cochet, Jean Borotra and Jacques Brugnon, in the challenge round of 1927 on the historic Davis Cup courts at Germantown Cricket Club.

Before their departure overseas, America's internationalists will work out at Merion Cricket Club on the same courts the squad practiced last year, with two former Davis Cup captains, R. Norris Williams, 1934 leader, and Charles S. Garland, 1927 pilot, assisting.

Wear, who recently became a general partner in the brokerage firm of E. A. Pierce & Co., has a most unusual athletic record. He has held ten United States championships. On three occasions he carried off the doubles racquets championship, once with Dwight F. Davis, donor of the Davis Cup, (once with George H. Brooks, a former

Davis Cup Leader



JOSEPH W. WEAR



THE PRESIDENT

December 4, 1991

Dear Chris:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

GB/



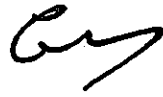
THE PRESIDENT

December 4, 1991

Dear Pam:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

enjoyed our chat 



THE PRESIDENT

December 4, 1991

Dear Ivan:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

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



THE PRESIDENT

December 4, 1991

Dear Spike:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

GB/



THE PRESIDENT

December 4, 1991

Dear David:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

GB/



THE PRESIDENT

December 4, 1991

Dear Dorrance:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

A handwritten signature, likely "A. J. F.", written in dark ink.



THE PRESIDENT

December 4, 1991

Dear Tony:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

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



THE PRESIDENT

December 4, 1991

Dear Gregg:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Sincerely,

A handwritten signature in cursive script, appearing to be "Bill Clinton", with a long, sweeping underline.



THE PRESIDENT

December 4, 1991

Dear Doro:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Devotedly,

Rach



THE PRESIDENT

December 4, 1991

Dear George:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Devotedly,

Bob



THE PRESIDENT

December 4, 1991

Dear Jeb:

Did you know this about our family -- now you understand why I have such a blinding serve and fan-jet forehand!

Devotedly,

Reed



THE PRESIDENT

December 4, 1991

Dear Neil:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Devotedly,

Dad



THE PRESIDENT

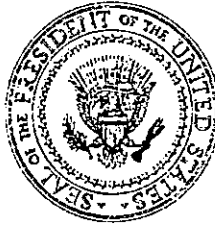
December 4, 1991

Dear Marvin:

Did you know this about our family -- now
you understand why I have such a blinding serve
and fan-jet forehand!

Devotedly,

Rod



December 4, 1991

Don: *Rhodes*

Pleas ask Danny Philbrick to measure the rectangular space over the fireplace in the living room (green room)

We used to have a picture hanging there and I want to get another one by the same painter . He has volunteered to do another but we need the measurements .

Thanks

GP

GB 1

Robin

send directly
to Don Rhodesz
East Wing
red tagged

keep 1 cc for
our daily
p

FROM THE PRESIDENT

THE WHITE HOUSE
WASHINGTON

December 4, 1991

MEMORANDUM FOR THE PRESIDENT

FROM: SHIRLEY GREEN *smg*
SUBJECT: Mail Summary, November 20 through December 3, 1991

CORRESPONDENCE RECEIVED

Presidential	103,964	Year to Date	2,077,735
Staff	<u>3,523</u>	" " "	<u>138,327</u>
WEEK TOTAL	107,487	YEAR TOTAL	2,216,062

TOP ISSUES OF THE 10-DAY PERIOD

	<u>Pro</u>	<u>Con</u>	<u>Comments</u>	<u>Cum.Total(Pro/Con/Comments)</u>
Economic Concerns	0	0	2,354	0/0/8,235
Hardship Cases	0	0	1,240	0/0/97,374
Foreign Aid	9	666	0	6,294/2,357/30
Crisis in Yugoslavia	0	0	716	0/0/4,653
Pro Life Issue	425	383	1	25,416/26,593/1,383

PROPAGANDA MAIL

10-Day TOTAL	18,231
Major Issue:	Recognize Independent Ukraine
Volume:	3,917

CORRESPONDENCE PROCESSED

Presidential (10-Day Total)	100,091
Year to Date	2,066,396

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 4, 1991

STATEMENT BY THE PRESS SECRETARY

President Bush called Terry Anderson at approximately 4:45 p.m. this afternoon in Damascus to express the love and admiration that all Americans have for Terry. The President told Terry that people from all over our country have great respect for him and have expressed that in many ways over the years. He welcomed Terry home and wished him well in the days ahead.

The President also said that he had just talked to Peggy Say, who has committed incredible time and energy to seeking Terry's safe return.

Terry had great praise for United Nations Secretary General Perez de Cuellar and his personal representative, Mr. Picco. Terry was excited and upbeat about his return to freedom.

#

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 4, 1991

STATEMENT BY THE PRESIDENT

I join Terry Anderson's family and friends in their happiness for his return to freedom after six-and-a-half years in captivity. Speaking to Peggy Say, Terry's sister, this afternoon, I felt the joy and the tears that marked this occasion for her. Peggy and the families of the other hostages have known the tragedy and the loneliness of the captives themselves over these many years. And similarly, all Americans have shared the emotional trauma associated with hostage taking, terrorist kidnapping, and the personal tragedies that each of these hostages has experienced.

I remember meeting some of the hostages personally upon their return to Germany in those difficult hours immediately after their release. And all Americans have joined in the happiness exhibited by the hostages when they have returned to America. Those feelings are etched in our consciousness forever.

While the American hostages have now been released, we cannot say the ordeal is over. We call for the immediate, safe and unconditional release of all those held outside the legal system in the region, including the two remaining German hostages. There are also hostages who are believed to have died while in captivity. We call for a full accounting of all these individuals, including the return of their remains to their families and loved ones. Here I would single out Colonel Richard Higgins and Mr. William Buckley, two men who gave their lives for what they believed in.

We are grateful to those whose efforts are making possible releases such as that of Terry Anderson today, and we wish them well as they continue those efforts. We thank particularly United Nations Secretary General Perez de Cuellar and his personal representative, Mr. Picco. In addition, we thank the Governments of Iran, Syria and Lebanon, for the role that each has played in the safe and unconditional release of these hostages held in Lebanon. This is a positive development which we welcome.

We must dedicate ourselves to ensuring that hostage taking is not resumed. Indeed, the time has come to eradicate all forms of terrorism in the region and the world. Lebanon should once more become a place where people can travel and live their lives free of the fear of violence in all its forms.

#

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 4, 1991

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#

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 4, 1991

TEXT OF A LETTER FROM THE PRESIDENT
TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND
THE PRESIDENT OF THE SENATE

December 4, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Bulgaria to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974, as amended ("the 1974 Act").

The Government of Bulgaria has requested designation as a GSP beneficiary country. The decision to extend GSP treatment to Bulgaria was made in light of the continuing changes in Eastern Europe, and in the spirit of the Trade Enhancement Initiative for Central and Eastern Europe. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974, as amended. In light of these criteria, and particularly Bulgaria's ongoing political and economic reforms, I have determined that it is appropriate to extend GSP benefits to Bulgaria.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

GEORGE BUSH

#

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 4, 1991

STATEMENT BY THE PRESS SECRETARY

President Bush has invited Anand Panyarachun, Prime Minister of Thailand, to meet in the Oval Office and then to attend a working lunch on December 17. They are expected to discuss regional developments, including the implementation of a Cambodia settlement, and issues relevant to the President's forthcoming trip to Asia and bilateral matters. The Prime Minister will be in the United States on a private visit.

#

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 4, 1991

STATEMENT BY THE PRESIDENT

Today I have signed H.R. 2038, the "Intelligence Authorization Act, Fiscal Year 1992." The Act authorizes appropriations for the intelligence and intelligence-related activities of the United States Government during fiscal year 1992. Because secrecy is indispensable if intelligence activities are to succeed, the funding levels authorized by this Act are classified and should remain so.

I am concerned that the authorizations for appropriations below my request do not adequately provide for today's intelligence challenges. I note that the Department of Defense Appropriations Act, 1992, does not include similar reductions, and the Administration will explore with the Congress means by which these appropriated funds may be utilized.

Insofar as H.R. 2038 could be construed to incorporate a provision conditioning my authority to expend appropriated funds on action by committees of the Congress, I shall consider that provision to be of no effect because it is unconstitutional under the Supreme Court decision in INS v. Chadha, 462 U.S. 919 (1983). I also note that Section 803(b)(7) of H.R. 2038 purports to limit my discretion in the selection of nominees to the National Security Education Board. I do not believe that the Congress may impose such limitations as a matter of law in light of the nomination power afforded to me by the Appointments Clause of the Constitution. Article II, Section 2, Clause 2. I shall regard the language of Section 803(b)(7) as advisory, but shall, however, endeavor to follow such advice in my selection of nominees.

Finally, this Act would require the Intelligence Community to maximize procurement of products in the United States, in a manner that is consistent with our national security concerns and that is fiscally sound. My interpretation of the Act will be guided by the fact that the procurement of products in the United States will be maximized by adherence to U.S. international obligations regarding Government procurement.

GEORGE BUSH

THE WHITE HOUSE,
December 4, 1991.

#

10:00 A.M. NEWS UPDATE

ECONOMY (Reuter) -- The U.S. economy grew at a 1.7 annual rate during the July-September third quarter, the Commerce Department said in a revised report emphasizing production within U.S. borders. The expansion in the nation's Gross Domestic Product followed a 1.4% rise in the second quarter, the Commerce Department said.... The report shows third-quarter GNP expanded at a 2.0% annual rate.... There were also signs the big inventory sell-offs were coming to an end. Businesses increased inventories by \$400 million in the third quarter after draining them by \$30.4 billion in the second quarter and by \$32.8 billion in the first quarter.

HOSTAGES/ANDERSON (Damascus/AP) -- The whereabouts of Terry Anderson were clouded in confusion despite earlier reports from Arab and U.S. officials that he was safely in Syrian army hands.... American, Syrian and Lebanese officials initially said Anderson had been freed and turned over to Syrian troops in Lebanon. Later, however, Syrian Foreign Minister Farouk al-Sharaa said, "We hope he will be released this evening -- the sooner the better." A five-page Arabic language statement from the Islamic Jihad group which has held Anderson announced that he would be set free, but it's wording was unclear as to whether he had already been released.... The Arabic-language statement from Islamic Jihad said: "We have seriously made efforts to close this file in the past year.... After finishing several stages we decided to separate the issue of our captives from the hostages in the prisons of the enemy and we're going to free our last captive, Terry Anderson, thus closing this page in the hostage file before glorious Christmas."

MIDEAST TALKS (Jerusalem/Reuter) -- Israel said it had decided to send all its delegates to negotiations Dec. 9. "Today the Israeli delegations will not show up, but as far as the 9th is concerned, the Israeli delegations will attend with the assumption the Arab delegations will be there as well," Ehud Gol, spokesman for Prime Minister Shamir said.

PAN AM BOMBING/LIBYA (Cairo/Reuter) -- Libyan authorities have detained two Libyans accused of blowing up an American airliner in 1988 and several others charged with bombing a French plane in 1989, the newspaper Asharg al-Awsat reported. It quoted the head of Libyan intelligence, Col. Youssef Abdel-Qadir al-Dabari, as saying a Libyan judge investigating the bombing of Pan Am flight 103, had issued orders Monday for two men accused in the case to be detained and questioned. But he argued against handing the two over to Britain or the U.S. for trial.

SUPER COLLIDER (Tokyo/Reuter) -- The U.S. said it wants Japan to make a contribution worth around \$1.25 billion to its Superconducting Super Collider project. Secretary Watkins told a news conference: "We would like Japan to make a significant investment, stretched out over a seven-year funding period."

1:30 P.M. NEWS UPDATE

ECONOMY/FED (UPI) -- The Fed acknowledged that the economic recovery is losing momentum. In its "beige book" report on the economy, the Fed said most of the nation's mid-section saw slower growth during October and early November, while other areas reported stable to slightly weaker conditions.

HOSTAGES/ANDERSON (Damascus/AP) -- Javier Perez de Cuellar said Terry Anderson was freed by his Shiite Muslim captors and was safely in Syrian hands. Perez de Cuellar told AP in New York he believed Anderson's arrival in Damascus had been delayed by snow on the road from Beirut.... "He is on his way and he is being protected by the Syrians, I imagine, because I think he must be in the Bekaa Valley," he said.

MIDEAST TALKS/ISRAEL (AP) -- Arab and Palestinian negotiators were ready to take their seats at a second round of talks despite an expected Israeli no-show. Israel, still refusing to attend, made last-minute concessions. Prime Minister Shamir, in a "goodwill gesture," dropped his insistence that Middle East peace negotiations with each of the three Arab delegations be held on separate dates.... "We are willing to conduct all talks as of the ninth (of December)," Shamir spokesman Ehud Gol said.... In another concession, Ambassador Shoval told Israeli army radio that the Israeli delegation would show up Monday with "quite far-reaching plans and proposals.... The self-rule agreement that we are proposing to the Arab residents of the (occupied) territories...as an interim stage will be very detailed."

MIDEAST TALKS/WASHINGTON (AP) -- Arab and Palestinian delegates met for a second round of Mideast peace talks at the State Department but quickly left when Israel failed to show.... The head of the Jordanian delegation, Abdul Salam Majali, said U.S. diplomats asked the delegates to return on Thursday. He said they would.

DUKE (AP) -- David Duke launched a renegade Republican campaign against President Bush, saying the President has "sold out" his party and allowed the nation to become captive to a welfare underclass.... Duke said Bush was encouraging reverse discrimination against whites by signing the recent civil rights bill.

UKRAINE (Moscow/Reuter) -- Soviet Foreign Ministry spokesman Vitaly Churkin said Wednesday there was no question of stopping Ukrainian independence.... "We recognize and respect the results of the referendum they held of the first of December." However, he stopped short of saying directly the Soviet Union recognized Ukrainian independence.

SOVIET DEBT (Moscow/AP) -- The Soviet Union notified creditors that it will halt payments on more than \$3 billion of its foreign debt until Jan. 1, 1993, as part of a relief package offered by the G-7.... Also, President Yeltsin proposed to pay 62% of the Soviet Union's foreign debt, government officials said. The Soviet Union will continue to make interest payments on the debt in accordance with an agreement signed in Moscow last month.

UNION TREATY (Moscow/AP) -- The national legislature approved President Gorbachev's plan to preserve the country in some sort of union, but the outlook for the proposal still remains bleak. By a vote of 108-5, the Supreme Soviet passed a resolution to endorse Gorbachev's Union Treaty.

AMERICAN HUMAN RIGHTS/CHINA (Beijing) -- The People's Daily newspaper told the U.S. to examine its record on crime and homelessness before lecturing China on human rights. In a mocking attack, China's Communist Party mouthpiece concluded that millions of Americans were not guaranteed the most fundamental human right: the right to life. A signed commentary headlined "Why are the 'guardians of human rights' afraid to talk about the right to life?" is the latest twist in the strategy of China's hardline leaders of engaging the West in dialogue on human rights.... They believe they have found the weak point in Washington's armor, what the commentary called the "fear and want" on the streets of America that contrasts with the wealth and security enjoyed by a minority.

WOMEN PILOTS/CHENEY (AP) -- Secretary Cheney's decision to put off opening combat pilot slots to females for at least a year is "an insult to women," Rep. Schroeder said. She called Cheney's move "just one more dodge, one more duck" in avoiding congressional moves to offer additional opportunities to female members of the military.

CHENEY TRIP (Reuter) -- Secretary Cheney was headed for Pearl Harbor, the first stop on a globetrotting tour that will include Hungary, Czechoslovakia and NATO headquarters in Belgium. In Eastern Europe Cheney will discuss details of defense cooperation with top government officials.

FOREIGN INVESTMENT/IRAN (Dubai/UPI) -- Iran is inviting foreigners in the United Arab Emirates to invest in Iranian companies as part of its privatization program to help raise \$200 billion to rebuild its war-torn economy, an Iranian official said. The invitation to invest in Iran's state-owned companies was extended to Europeans and may even apply to U.S. investors. "Many U.S. companies have branches or sister companies in Iran. If they wish to come to Iran to invest, they come through the side door," said the anonymous Iranian source.

GUN CONTROL (Boston/AP) -- Firearm homicides and suicides fell by one-quarter in Washington, D.C., after the city adopted a strong handgun law in 1976, preventing an average of 47 deaths a year, according to a new study by Colin Loftin and colleagues from the University of Maryland at College Park. Washington's law bans the purchase, sale, transfer and possession of handguns. Those who already owned legally registered guns could keep their weapons.

4:30 P.M. NEWS UPDATE

ECONOMY (Chicago/UPI) -- A panel of economists projected the U.S. economy in 1992 will have moderate growth with unemployment hovering from 6% to 6.7%. The forecasts, including calls for tax cuts, came at the 30th annual Business Forecast Luncheon at the University of Chicago.

HOSTAGES/ANDERSON (Damascus/Reuter) -- Terry Anderson was handed over to U.S. Ambassador Christopher Ross at the Syrian Foreign Ministry in Damascus, witnesses said.

ISRAELI SETTLEMENTS/U.S. (Reuter) -- The U.S. criticized the establishment of a new Israeli military settlement in the occupied West Bank, saying the timing was particularly unfortunate when peace talks were struggling to get under way. "We are particularly disturbed at this development on the eve of the resumption of bilateral talks," said Margaret Tutwiler.

PAN AM BOMBING/LIBYA (Cairo/UPI) -- Libya is seeking an emergency Arab League meeting in Cairo amid apparent concern over the possibility of a U.S. military strike if Tripoli refuses to extradite two Libyans accused of bombing a Pan Am airliner. In a related development, the 16 NATO nations called on Libya to sever its ties with terrorist groups and comply with Western demands to extradite the suspects.

(Paris/Reuter) -- Libya has detained two suspects wanted by U.S. and Britain authorities over the bombing, the Libyan Ambassador to France said Wednesday. "The two people are definitely detained, there is no doubt about that," he told Reuters in a telephone interview. Ambassador Saad Mujber said the men were under investigation but there was little evidence against them.

CIA/GATES (Reuter) -- The U.S. has stepped up its intelligence gathering on the Soviet Union in what the new director of the CIA described Wednesday as "an unprecedented effort."... In a speech prepared for delivery to members of the CIA and other U.S. spy agencies, Robert Gates said "we have undertaken an unprecedented effort to gather information from throughout the lands of the former Soviet Union in order to assess the political, economic, social and military reality."

AIDS GUIDELINES (Atlanta/UPI) -- The CDC said it is revising its plan to list procedures that health care workers infected with the AIDS virus should not perform.... "CDC has drafted revised recommendations for preventing transmission of HIV and hepatitis-B virus to patients during invasive surgery," the CDC said in a statement.... Bob Howard, CDC press officer, denied published reports that the CDC has decided to drop a list of surgical and dental procedures that HIV-infected health care workers should not perform. No decision has been made on that issue, he said.

HAITI (Port-Au-Prince/UPI) -- Soldiers fired on the Presidential Palace Tuesday night.... Witnesses were unable to identify the units involved, and the reason for the assault on the palace was unclear.

-more-

REFUGEES/HAITI (Miami/UPI) -- The Justice Department asked an appeals court to delay a court order preventing the Coast Guard from repatriating Haitians fleeing the poverty and military regime in their country.... Joe Krovisky, a spokesman for the Justice Department, said a motion for a stay of Judge C. Clyde Atkins' order was filed and a formal appeal was being drafted.

BYELORUSSIA/SECRETARY BAKER (Reuter) -- Secretary Baker will visit Byelorussia later this month on a trip to the Soviet Union, the State Department said. Margaret Tutwiler said the fact that Byelorussia had nuclear arms stationed on its soil was a major reason for adding the republic to the trip, which also includes stops in Moscow and Kiev.

KENYA (Nairobi/Reuter) -- Western governments that pressed Kenyan President Daniel Arap Moi for political reform welcomed his move to lift a ban on opposition parties and clear the way for multi-party elections.... "We consider this move toward pluralism an important step in the right direction," a U.S. Embassy statement said. "We are confident...other political parties and political organizations will soon be authorized to form, register, meet and operate without restriction," it added.

THE WHITE HOUSE

MRS. BUSH'S PRESS OFFICE

DAILY PRESS CLIPPINGS

WEDNESDAY, DECEMBER 4, 1991

Mrs. Bush	(in folder)
Governor Sununu	West Wing
Marlin Fitzwater	West Wing
Constance Horner	West Wing
Carol Powers	West Wing
Patty Presock	West Wing
First Lady Detail	Staircase
Karen Connell	Room 58 OEOB
Shirley Green	Room 94 OEOB
Anne Griffith	Room 98 OEOB
Diana Kellogg	Room 157 OEOB
Gregg Petersmeyer	Room 100 OEOB
Marguerite Sullivan	Room 268 OEOB
Carolyn Washington	Room 268 OEOB
Benita Somerfield	hold one copy
Ann Brock	
Julie Cooke	
Joan DeCain	
Laurie Firestone	
Jane Moore	
Susan Porter Rose	
Sally Runion	
Peggy Swift	
Anna Perez	
Sondra Haley	
Jean Becker	
Jay Suchan	(plus originals)

10P5-

Toughest Ticket

People Will Do Almost Anything to Get Invited to a White House State Dinner

By Diana McLellan

"No scum here tonight."

—JOAN RIVERS at a state dinner for the king of Nepal. *Washington Post*, 1983

Your car glides through the big iron gates. You try to suppress the excitement as you go up the steps. Cameras flash. Reporters jostle to see who you are. You look *marvelous*.

You're announced as you enter the East Room for cocktails, where you look around at faces familiar from the network news. Suddenly, it's Hail to the Chief, the receiving line, a quick presidential chat, and you're en route to your table. There, Georgeanne dishes, the movie star flirts, the Supreme Court justice laughs at your joke.

Afterward, it's mix-and-mingle in the Blue Room—isn't Dick Cheney a scream?—and back to the East Room for a show. Maybe a twirl through the grand foyer before it's over. . . .

Or almost over. Because next morning comes the best of all: There's your name, right there on the White House State Dinner Guest List, in those teeny-tiny letters—the most closely read agate type in the *Washington Post*.

You've arrived! You're a certified somebody.

How did you get there? What did you do to get invited to a White House state dinner?

"We're talking," muses one of the city's worldliest lobbyists, "about the toughest ticket in town."

"Everyone's scrambling to get on that list," observes Gretchen Poston, who was Rosalynn Carter's social secretary. "Nothing is beneath someone trying to get invited. *Nothing*. People lie. They lobby. They have their wives, their congressmen, their grandmothers call. They

say they're dying of cancer, that their wife will leave them, that they're a cousin of the guest of honor. . . ."

There are, after all, limited spare seats at the dozen or so tables for ten at a typical state dinner. About fourteen of those gilded chairs will be occupied by members of the visiting nation's party. Then you've got your administration people—a Cabinet member or two, Dan and Marilyn, your Supreme Court justice du jour, your protocol chief: your ambassador to the visitor's country, at least one senator and one congressman, the inevitable Sununus.

You have a smattering of journalists, hand-picked by the President.

These days, you've always got a couple of Bush family members—a switch from the Reagan years, when Nancy ruled the list with a fist of steel and her

tribe was de trop. In the Reagan era the List would rattle around the White House for weeks, with dozens of additions and strike-outs marked by members of the Inner Circle before it finally fluttered between Nancy's claws for the final edit—a ruthless slashing of drones, a lavish piling-on of glitz.

These days George Bush runs the show. Barbara Bush, who calls her mate "Perle Mesta," decided long ago to "take herself out of the statecraft-and-politics part," says her press secretary, Anna Perez. "Entertaining is a very basic part of the President's life."

After he's picked out his people, the social office floats a trial seating chart. Then the First Couple, tête-à-tête, juggle it. They talk about who'll get on with whom, who'll brighten a dull patch, who'll add gravitas to a ditzzy one. They



In the White House dining room, guests at the June state dinner for Brazil's President Fernando Collor de Mello were serenaded by the US Army's Strolling Strings and dined on Maryland crab meat, loin of lamb with peppers, garden vegetables (no broccoli), and mocha bombe with Tia Maria parfait.

(cont.)



"I used to call the Reagan White House the only place in the world that had finger bowls at all three meals. . . . At one state dinner, as usual, a little scrap of plant life was floating in the bowl. My neighbor asked me what it was. (It was a Martha Washington geranium, but I didn't know that at the time.) So I called over a butler, pointed at the stuff, and asked, 'What's that?'"

"I don't know, sir," he said, "but I'll certainly find out for you."

"Five minutes later he returned to announce triumphantly: 'Sir, that is a finger bowl.'"

—MICHAEL DEEVER

designate one state-dinner stalwart to be "table host," to spark the conversation.

Unquestionably, George Bush rules the roost at his own state dinners. Does this mean there is no window of opportunity through which you can be invited?

Certainly not.

There are reasons that one CEO or actor or reporter is invited over another; reasons why a Washington woman alone has a better chance at a state-dinner seat than a man; reasons why a Democratic partisan can be seen enjoying the truffle mousseline among Bushites of spotless record.

So how does one get invited?

Asked to advise, say, a CEO who longs to join that golden circle, Anna Perez suggests, with modestly downcast eyes, "Well, he can go out and do good."

That's one way. But realistically, obeying Biblical injunctions won't be much help. Word of the good you do must reach President Bush. One path to Washington nirvana is via . . .

The well-placed middleman. "I always looked at lobbyists as having information to provide—part of the research before a state dinner," says the Carters' Gretchen Poston. "If someone convinced me that a certain CEO should be on the list, I'd add him, along with the reasons he should go. Of course, the President and First Lady had the final say."

In this administration, a word from a plugged-in Bush-era lobbyist—Ken Duberstein, Sheila Tate, Craig Fuller, Rich Bond, Charlie Black—will help. But even a Craig Fuller must be wary of seeming to peddle access too blatantly.

"If you're coming out of the blue," says one top lobbyist, "it is possible to wangle an invitation to a state dinner, but extremely difficult. We'd have to approach the list through at least three sources of input. Say the president of Mongolia is due and you very much want to go. We could focus on the enormous amount of charity work you do for

the Mongolian kindness-to-goats movement. Of course, you'd have to do it. Then, trade or business: Already an enormous success, you're now planning to open a goat-fodder processing plant, an oil-field exploration company, and an import-export business in Mongolia. Third, we'd focus on your unwavering devotion to the well-being of our own president and his party, as manifested in political works."

You mean contributions?

"Oh, yes. . . ."

Give—and give again. "Anyone making a whopping contribution to the president's party or causes is bound to be noticed," says Tish Baldrige, who was both a Kennedy and a Reagan social secretary. This can mean large sums to help refurbish the White House or Blair House, membership on the "Team One Hundred" (whose members regularly donate \$100,000 to the Republican effort), top-of-the-line RNC contributors. "The key is to give a *consistent* cause for gratitude," says one expert delicately.

"Take [Hollywood producer] Jerry Weintraub. Not only does he contribute generously, but he was active in recruiting celebrities and doing events on the West Coast. Besides that, he bought a place in Kennebunkport. . . . Is it any wonder he not only goes to state dinners but spends the night at the White House when he does?"

Does this mean money is everything? Perish the thought. There are other ways.

Ride another guest's coattails. The late Steve Martindale, a lobbyist of great charm andchutzpah, was Washington's most polished coattailer. He once called Nancy Reagan's social secretary to say he knew that his dear friend Oatsie Charles was to be a guest at an upcoming state dinner—and that of course she wanted him to escort her. Knowing how Nancy liked Oatsie, the social secretary issued the invitation. As the evening for the dinner drew nigh, the office phoned to get Oatsie's Social Security number for

the Secret Service. "And while we're at it," said the staffer to Mrs. Charles's assistant, "could we get Mr. Martindale's date of birth and number, too?" There was a silence at the end of the line. Mrs. Charles had never dreamed of taking an escort.

Steve went anyway. As the social secretary observed, "It would have been too embarrassing to reverse it."

The coattail ploy was easier to pull off during the Carter years. If you were a single guest, you were invited to bring a guest as a matter of course. People brought their grandchildren, mothers, mistresses, best friends, hairdressers, and business partners.

The Bush White House tends to invite women alone, to balance the large male contingent. But there is "no firm policy" about taking a date, and the plea of an invited guest of either sex to bring an escort is often granted.

On occasion, several people at once have managed to wangle their way into the East Room on a single coattail. One prominent Republican told Nancy Ruwe, then Betty Ford's social secretary, that she "couldn't possibly come" without her children. "We had space, so her son came with his wife," says Ruwe.

Countless young men have called the social office to announce that they escort a famous older movie star everywhere, and that she would very much like an invitation for them: some have succeeded. One entertainer told Reagan social secretary Gahl Hodges that he couldn't possibly come to a White House dinner without his psychiatrist, lest he flip out.

Some coattail guests, while not natural invitees, add excitement to the evening. Architect Philip Johnson asked if he could bring a date to a Ford state dinner, and she turned out to be Lee Radziwill, Jackie Kennedy's sister, who hadn't set one little piggy in the White House since her brother-in-law's assassination.

"She was a sparkling guest, and her table had the most wonderful time," remembers Nancy Ruwe.

Woo the social secretary. Don't be shy. Be *tasteful*. Social secretaries' offices for years have been swamped with expensive chocolates, perfumes, trinkets, flowers, and thoughtful notes from would-be state-dinner guests.

"I think back to it now when I go to Safeway to buy my potted mums," sighs Gahl Hodges Burt. "When I was Mrs. Reagan's social secretary, my house always looked like the Botanical Gardens. Of course, you have to send back things like gold watches. . . ."

Remember that a social secretary is more likely to come to your place for dinner than a first lady. And no guarantees, but she's unlikely to forget your

hospitality. The flood of dinner invitations at first puzzled Bess Abell, Lady Bird Johnson's social secretary.

"This one couple wouldn't stop inviting us. I kept asking Tyler, 'Who on earth are these people?' Well, yes, eventually we did break down and go. And of course I was polite."

Another well-known Washington wife befriended a White House social secretary and then called to plead for an invitation to a state dinner for visiting royalty. She cited her husband's affection for that king, then added softly, "You do know, don't you, that my husband's dying of cancer?"

The couple was duly invited. They came dressed to kill and were the life of the party. And twenty years later, they still greet the former social secretary warmly.

"You'd be astonished at the Washington names who lobby shamelessly for an invitation," says Gretchen Poston. Recalls Gahl Hodges Burt, "It often began discreetly, with a call from a friend. Then it would pick up—a call from Meese, a call from Deaver...."

One well-known editor assigned his wife to become best friends with the social secretary while he and his staff lobbied on other fronts—through the press secretary, his Cabinet chums, White House insiders. It worked.

Not to be scorned is the direct approach: Linda Faulkner, Nancy Reagan's last social secretary, remembers one high government official who threw himself on her mercy before the final Reagan state dinner.

"He laughed and said, 'Look. I've got nothing to lose. Can I please come?'"

He did.

Have the same name as someone likely to get invited. Some guests get there by mistake. At a state dinner during the Reagan administration, guests wondered idly why there were three people who looked vaguely related and had the same name. Now it can be told: "The wrong one was invited by mistake," says Gahl Burt, "and then, because of a breakdown in communications, the other two were invited as well."

Bess Abell recalls taking a guest list to Lady Bird Johnson, who said she'd like to add Henry duPont of Winterthur.

"He was such a big help to Jackie furnishing the White House," Lady Bird remembered. On the spot, the White House switchboard was asked to call Henry. Soon, Lady Bird was chatting happily away—even inviting him to spend the night at the White House after dinner. But the end of the conversation was a little stilted, Bess noticed.

"That was the wrong Mr. duPont," said Lady Bird after she hung up. The right one was invited later. ▷

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Mistakes aren't limited to state dinners.

"Lady Bird had a good friend called Claudia Marsh, and we invited her to one of the 'Women Doers' luncheons," Abell recalls. "Just before we went in for lunch, Lady Bird asked me, 'Bess, who is that lady in the beige hat?'"

"Why, that's your friend, Claudia Marsh."

"Not my Claudia Marsh," said Lady Bird."

Says Bess, "I went up and visited with the wrong Claudia Marsh. She was charming. She said she was so thrilled to be invited back—she hadn't been to the White House since Eisenhower."

Be a dynamite duo. Being half of a high-octane couple in which male and female can boast equal fame doubles your chances of being invited. Each of you can spark up a table that probably will have at least one nice but dull "spouse of" aboard. That's one reason you'll note the frequent attendance at state dinners of Dick and Lynne Cheney.

The Bushes seem well-tuned to couples. They have invited Diane Sawyer and Mike Nichols to dine with the Jordans; Barbara Cohen and John Cochran with the Australians; Connie Chung and Maury Povich with the Italians; Lesley Stahl and Aaron Latham with the Congolese; Andrea Mitchell and Alan Green-

span with the Soviets; and Melanie Griffith and Don Johnson with the Danes.

Buy in at the back door. I asked several lobbyists about paying one of their tribe to hook an invitation to a state dinner. They answered with cries of protest.

Eventually, under a vow of eternal anonymity, one allowed that it was possible.

"One way is to work from the other side—namely, the side of the country that is doing the visiting. A lobbyist really plugged into that country's embassy—either a former ambassador from that country who is now a long-term economic counsel, or a trusted American lobbyist who works with that nation's government—can maneuver a client onto a state-dinner guest list. Particularly with some of the smaller and, shall we say, more pragmatic countries, you might deal with a minister of the visiting government to get your client put on the visiting head of state's list. You might charge the client, say, \$75,000—and split that with the minister. It has been done.

"And, for some people, it is worth it. The photograph taken at the White House for the hometown paper, and the *Washington Post* report the next day with the name on the guest list—they can be worth a lot of money.

"An embassy can also suggest people for the musicale after dinner. Washingtonians know that's no big deal—in fact,

most feel a bit squeamish about mentioning it because they think it's a tad B-list. But these days, there's a receiving line into the entertainment with the President and the guest of honor, complete with photographer. Of course, arranging that wouldn't cost as much."

Isn't this all, well, a bit murky?

"Nonsense. Look at the occasional dinners at the State Department—like the November one to bid farewell to [curator] Clem Conger. There is a standard ticket price for those dinners of \$1,500. Very few people are aware of such dinners and the price tag. A lobbyist can tell a client, 'I can get you an invitation to a dinner at the State Department for \$10,000,' and make a tidy profit. Theoretically, a Mafia don can dine at the State Department if he'll just pony up."

Try the human-warmth angle. Tish Baldrige remembers Jackie Kennedy scribbling her old schoolteacher's name on what Tish called the human-warmth guest list. The West Wing would promptly strike her off: Jackie would put her on again. "It was constant warfare, but the President always backed down."

As Tish remarks, "There are people every president and first lady invite because they like them as people. After all, they get so used to having people foisted on them who are not always terribly attractive, so some dear familiar

faces make them feel better."

New friends, too, are part of the human warmth contingent. First ladies often bump into someone they really like and vow to show 'em a good time. Lady Bird would come back from a trip and give Bess Abell the name of a Head Start activist she thought would make a wonderful guest. The Carters often invited couples who had played host to them in far-flung hamlets around the country during the '76 campaign, turning over their best bedrooms and plying them with home cooking.

Nancy Reagan pretty much took a break from human warmth, but the Bushes are keen enthusiasts. At their grandest event so far—the state dinner for Queen Elizabeth of Britain—Barbara Bush insisted on including a woman she'd taken a fancy to four years earlier—Margaret Heagarty, the director of pediatrics at Harlem Hospital. During the Gulf war, the President decided he wanted the two top-ranking enlisted men from both the Army and the Navy at the dinner for the Danes in February.

Play the creative card. Each visiting head of state gives a little present to the president and first lady and gets one in return. The latter have to come from somewhere. During the Johnson years, Edwin Land regularly donated a Polaroid Land Camera, then a hot item, for

the outgoing gift, and thus became a familiar face around LBJ's tables. The CEO of Bulova, which made a special Accutron clock for the same purpose, was oft seen beaming over the bouillon.

Helen Boehm, lipstick widow of the man who created the porcelain eagles that were Ronald Reagan's favorite state gift, was a frequent guest at the Reagan White House. These days, the Bushes usually give the wife of the visiting head of state a bejeweled Judith Lieber evening purse. Ms. Lieber is often among the happy attendees.

The entertainer for the dinner is a guest, too. Here's a window of opportunity for people who can put on a one-man or, at most, two-person show.

"Most entertainers are Democrats," points out one social secretary. "You need one who's free at the right time, who will do it for nothing, and who's appropriate to the visiting government. It must be a small act—it's the hardest part of putting a dinner together."

Bush favorites include singers and musicians Jessye Norman, Frederica Von Stade, Leontyne Price, Roberta Peters, Johnny Mathis, Karen Akers, Lionel Hampton, Mstislav Rostropovich, Itzhak Perlman, and Isaac Stern.

Other invited talents sometimes include a first lady's dress designers—in Mrs. Bush's case, Scaasi and Bill

Blass—and, occasionally, her decorator.

Fill a Washington-widow slot. A state dinner is the one party in town to which a woman has a better chance of being invited than a man. The reason is simple, points out Gahl Burr: "The visiting head of state's party is almost always all men. So at a minimum, you've generally got about fourteen extra men for dinner."

During the Reagan administration, the women brought in to prevent the dining room from looking like a penguin convention were often sequin-heavy Hollywood stars. These days the bimbo quotient is much lower. Beyond bimbos, Barbara Bush even made it clear to former CIA director Bill Webster before he wed that any date he brought to a state dinner should be around his own age.

This administration's "balancing babes," as one frequent guest calls them, are usually Washington widows. Andy Stewart, the widow of Justice Potter Stewart and one of Barbara Bush's closest friends, has graced the plummiest dinners. Margaret Baldrige, widow of Commerce Secretary Mac Baldrige, congressional widows Janet Steiger and Lucy Moorhead, former protocol chief Lucky Roosevelt, and former Congressman Frank Ikard's widow, Jayne, have all led the finger-bowl flourish at state dinner tables.

As Mayor Sharon Pratt Dixon found

(cont.)

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out when she was invited dateless to a state dinner, a woman alone is made to feel not just at home, but in heaven. If she likes, a White House car will be sent for her. A charming, and often hunky, young military aide will accompany her into the White House—it's how Chuck Robb got to know Lynda Johnson. The military man will get her a drink, chat pleasantly, introduce her around, seat her at her table, squire her to her seat at the entertainment afterward, dance with her if she likes, and escort her to the White House car that will drive her home.

There are, as Anna Perez observes, "no bad tables at a state dinner." It's all A-list. There's no Siberia: Dan and Marilyn Quayle each hosts a glitter-packed table at the farthest-flung reaches of the room; George Bush personally ensures that there's no turkey table.

If there is an A-plus list, it's that of the overnights: Those who roll up to the "rooms upstairs" after dinner. They have included Billy Graham, Marion Chambers, Jerry Weintraub, and old Bush chums like the Will Farishes and Spike and Betsy Heminway. No lobbying will get you in there.

The B-plus list is the 30 or 40 guests who come in for the postprandial entertainment—and for the dancing, if there is any. Since the mid-'70s they've arrived among the gaiety under a small cloud of gloom. This has been partially lifted in the Bush years—largely because of the second receiving line, complete with guests of honor and photographer, on the way into the East Room.

"The personal howdy takes the damper off," swears one later-goer. Another has figured out how to avoid the "Oh, you just did the entertainment?" dig.

"You rent a limo, go out for the best dinner in town, then float into the White House with a buzz on, as though it's a very nice nightclub. Later, when you name-drop the White House, you do it as an addendum." □



TUESDAY

DECEMBER 3, 1991

★

HIGHLIGHTS

NEWSMAKERS

■ **Family Affair:** **George Bush** has made foreign relations a family affair, enlisting relatives to serve as goodwill U.S. ambassadors from Benin to Bolivia and Malta to Morocco. Bush's three brothers, his sister, wife **Barbara**, four of the five Bush children, several in-laws, two nephews and a cousin have all gone overseas on official delegations. Sending presidential kin abroad "is mostly harmless as long as they behave themselves," said **Hume Horan**, president of a union of foreign service officers.

—Compiled by YEMI TOURE

Wolfensohn's Ways

WASHINGTON — "Some people here may think I'm more abrasive than perhaps I ought to be. But I have very little time," says **James Wolfensohn**, the Wall Street investment banker who, for the last 20 months, has been shaking up the nation's capital as chairman of the board of trustees of the Kennedy Center for the Performing Arts.

Wolfensohn, 57, is unique in the galaxy of Washington players. Unlike most political veterans who are constantly building coteries of support, he moves too fast to shelter aspiring courtiers.

Zooming around in his six-seater jet, Wolfensohn seems as globally charged as any peripatetic secretary of state.

"He's a hurricane of accomplishment," says **Buffy Calritz**, a Kennedy center board member. "He has jump-started the board. He's a visionary and a nuts-and-bolts man at the same time."

Recently, Wolfensohn was in Hong Kong for a day. Days later, he postponed a trip to London and left D.C. at midnight after seeing the first act of the play "Tru" and "Jardin aux Lilas" performed by the Kirov Ballet. The next morning, he showed up in his New York office at 7:30 a.m. for a day crammed with 11 meetings.

"I'm also trying to run a business and keep up with the needs of my clients. So far, that's been impossible, and they've been understanding," he explains. "I could drop dead on this job."

Unlike most Washington operators, whose power comes from presiding over huge bureaucracies, Wolfensohn's base is his Manhattan firm, which wields influence in inverse proportion to its size. James D. Wolfensohn, Inc. claims only about 25 regular clients, but that group includes American and European corporate giants such as Daimler-Benz, American Express and Du Pont.

Wolfensohn made his acceptance of the Kennedy Center job contingent upon Congress coming up with \$45-million-worth of capital funds. It did; and since then, Wolfensohn says he's "knocked more than a million out of personnel overhead," increased fundraising to \$16 million to cover operating deficits, and instituted a salary freeze.

He is pushing the Center to take a role in education policy by personally lobbying to include specific mention of "artistic expression" in congressional and state "new schools" programs.

He has started a new program with the National Symphony Orchestra that will select young musicians from all over the country to come to Washington to study. Next year, Wolfensohn, who was born in Australia but is now an American citizen, is planning a German Festival and a Festival of the Americas "designed to make the Kennedy Center a true national center of the performing arts."

"He's using the Kennedy Center as cleverly as I've ever seen it used," says banker **Joe Allbritton**, who points out that Wolfensohn is turning the Center into a social venue. (Wolfensohn, chairman emeritus of Carnegie Hall, is also being feted himself Tuesday evening at the Weill Recital Hall.)

In October, when the Kirov Ballet was in town, Wolfensohn invited a group of potential donors for a private dinner at the Kennedy Center with the Soviet Ambassador.

"I want to make it easy to have the President, the Secretary of State and other diplomats," says Wolfensohn.

The Washington establishment seems to have picked up on the point.

In June, President **George Bush** and First Lady **Barbara Bush** held a private reception for 200 of the Kennedy Center's major donors, a White House first. Guests heard a duet performed by National Symphony director **Mstislav Rostropovich** and his associate artist, pianist **Sara Wolfensohn**, 28, the chairman's daughter. (Wolfensohn and his wife, **Elaine**, have two other children: **Naomi**, 25, a law student at Georgetown, and **Adam**, 21, a Princeton student and computer whiz.)

In September, James Wolfensohn hosted a dinner at the Kennedy Center for **King Juan Carlos** of Spain. He has also entertained British Prime Minister **John Major**, Princess **Margaret**, and Czechoslovakian President **Vaclav Havel**.

He concedes he could probably be more popular within the Center by demanding less. "But then why should I come here?" he asks. "I don't get

paid for the job. It's killing me. And I don't need the recognition. Personally, I'm not insecure about getting a table at a restaurant or being invited to a party. I'd already done enough to warrant getting a decent table, particularly in New York.

"The physical and mental strain," he adds, "is enormous, because when I'm here, I'm also taking business calls from clients, and when I'm in New York working in my office, I'm taking calls about labor strikes here or the Russian ballet company. So I'm living this schizophrenic life."

While the drill may sound lethal, Wolfensohn's track record shows he excels at everything he undertakes. He graduated from high school at 15, earned a law degree at the University of Sydney, served as a Royal Australian Air Force Flying officer, and was a member of the Australian Olympic fencing team in 1956. The same year, he enrolled at Harvard Business School.

Twenty years later, Wolfensohn, then 42, resigned his post as chief executive of Britain's prestigious **Schroders** banking group and returned to the U.S. to join **Salomon Brothers**. He also began taking cello lessons. He celebrated his 50th birthday in concert at Carnegie Hall, accompanied by violinist **Isaac Stern**, his daughter **Sara**, and two other pianists, **Daniel Barenboim** and **Vladimir Ashkenazy**.

In 1981, after compiling a long list of Washington connections by helping arrange the \$3-billion Chrysler bailout, Wolfensohn left Salomon to start his own firm.

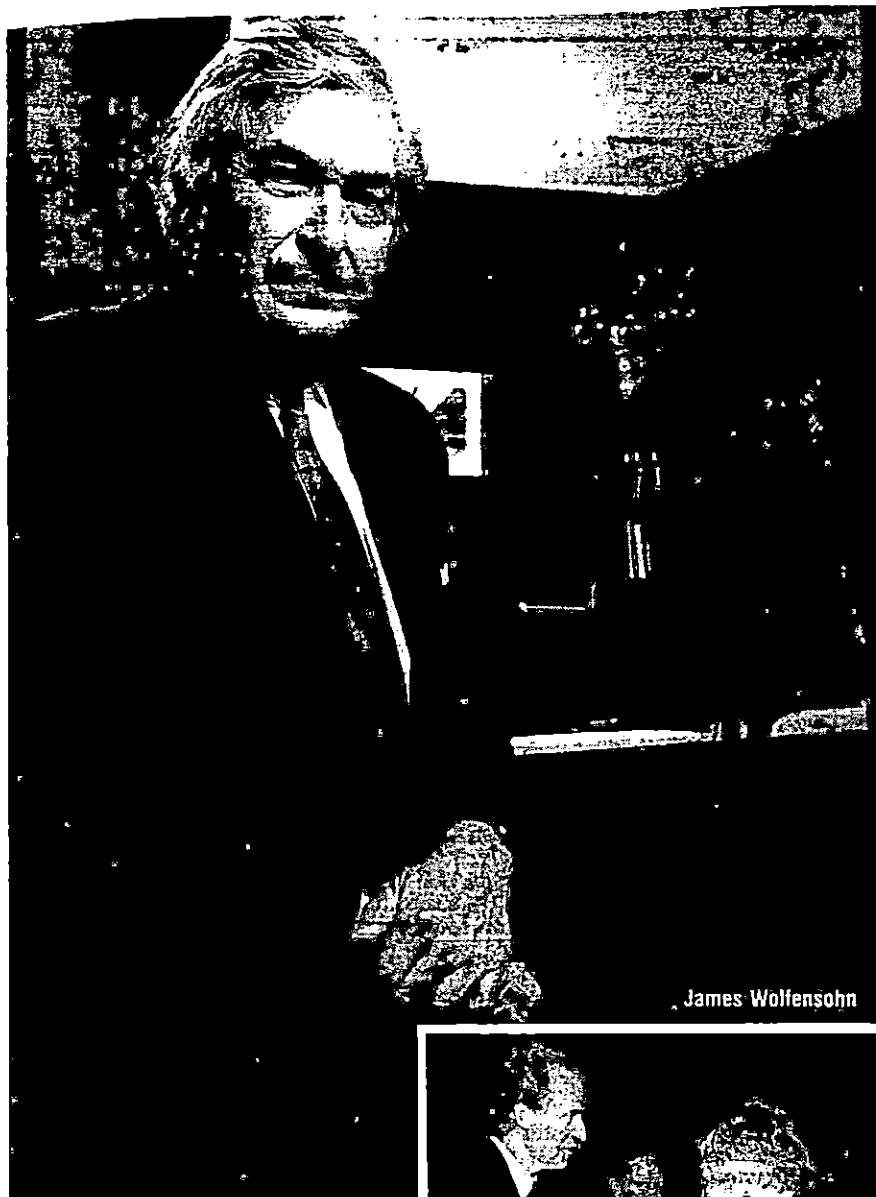
In addition to his job at the Kennedy Center and running his investment company, Wolfensohn sits on the boards of **CBS, Inc.** and **Continental Grain Co.**, as well as serving as chairman of the Institute for Advanced Study at Princeton, an honorary trustee of The Brookings Institution, managing director of the Metropolitan Opera Association, and a trustee of The Howard Hughes Medical



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James Wolfensohn

REUTERS PHOTO BY OLGA

King Juan Carlos shaking hands with James Wolfensohn



REUTERS PHOTO BY OLGA



"The Phantom of the Opera" cast members, Prime Minister John Major and his wife, Norma, and James and Elaine Wolfensohn

Institute and of The Rockefeller University.

Wolfensohn commutes on his private Westwind 2 between Washington and New York. "My own plane is an absolute necessity," he says. "It's a bus. I can get from here to my home in New York in an hour and a half door to door. If I couldn't do that, this job would be impossible. I'm in communication the whole time. I have my old sweater on the plane and my coffee ready."

He still keeps social ties with his New York pals, although he has made some adjustments to his routine. He and his wife are spending more time in Washington, where they stay at the Watergate Hotel. The couple is also building a summer home in Jackson Hole, Wyo., not far from Secretary of State James Baker's ranch. Designed by architect Cesar Pelli, the house is slated to be completed June 1.

One thing Wolfensohn says he hasn't changed is his prognosis on the economy.

"There isn't a high level of confidence among our clients, who constitute some of

the major companies in the country," says the financier, who predicts "a slow pull-out" from the recession, and adds, "I've been hearing this from the best people in the country for two years. I'm not a genius. I'm just repeating what people tell me. The great challenge to the Bush administration during the next campaign will be to show they can manage the economy, which is becoming more and more the cornerstone of the next election."

How does he respond to those who fault him for getting business and social dividends from his success at the Center?

Wolfensohn shakes his head.

"I haven't learned to be insensitive," he says. "What I have learned is that, if you know clearly what you're trying to do, and you do it in the best way you can, then you have to realize that the mosquito bites and pinpricks just come with the territory. I'm trying to keep my head down and get on with the job."

— SUSAN WATTERS

Washington Times

WASHINGTON, D.C.

WEDNESDAY, DECEMBER 4, 1991 *

'Political negatives' for campaign feared

By Frank J. Murray
THE WASHINGTON TIMES

MERIDIAN, Miss. — John Sununu quit as White House chief of staff aboard Air Force One yesterday, en route to the South, telling President Bush the continuing cascade of anonymous media attacks on him would be "a drag on your success."

The president accepted Mr. Sununu's resignation without argument, praising the loyalty of the former New Hampshire governor who helped rescue his presidential hopes by engineering a make-or-break come-from-behind victory in that state's pivotal 1988 primary.

White House spokesman Marlin Fitzwater said Mr. Bush will name a new chief of staff by Dec. 15. The president is believed to have already talked to Transportation Secretary Samuel Skinner about the job.

"Until recently I was convinced that even with the distorted percep-

INSIDE

- Many congressional Republicans foresaw Sununu's downfall.
- White House officials predict more departures are on the way.
- Chiefs of staff have often been targets of the press.
- Chronology of his troubles.

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tions being created, I could be a strong contributor to your efforts and success," Mr. Sununu said in a handwritten five-page resignation letter.

"But in politics, especially during the seasons of a political campaign, perceptions that can be effectively dealt with at other times can be — and will be — converted into real political negatives," he wrote. "And I

would never want to not be contributing positively, much less be a drag on your success."

Although he said the parting was difficult, Mr. Bush apparently did nothing to talk Mr. Sununu out of quitting and seems to have joined other Republicans who considered the brash 52-year-old Mr. Sununu the basis of the White House's problems with Congress and in setting policy.

The resignation, sudden but not entirely unexpected, is effective Dec. 15, after which Mr. Sununu will hold the title of counselor to the president, with Cabinet rank, until March 1.

"I assure you that in pit bull mode or pussy cat mode (your choice, as always), I am ready to help," Mr. Sununu said in the letter he gave to the president during a closed-door meeting on the flight from Washington to an orange juice cannery in Florida.

During the rest of that flight, Mr. Bush composed an equally long handwritten letter that was typed on the second leg of the flight and handed to reporters as the president left Meridian, on the Mississippi-Alabama border.

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(cont.)

SUNUNU

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"You have never wavered in your loyalty to us and more importantly your loyalty to the principles and goals of this administration. You have indeed helped with the issues and you have intercepted many of the arrows aimed my way," Mr. Bush said.

A White House aide said the resignation letters were released in Mississippi because of what he called "the president's absolute hatred for leaks and his certainty this would not hold for 24 hours without leaking."

Mr. Bush and Mr. Sununu met reporters together on the long flight back to Washington and the president called his aide "a class act."

"He made a good decision and I support the decision," Mr. Bush said, adding that he was grateful as well. "He's taken a lot of the hard shots

that would have landed on my chin without ever looking back, ever asking for anything in return."

Mr. Sununu and Mr. Bush returned to the White House yesterday evening aboard the president's Marine One helicopter, which met Air Force One at touchdown at Andrews Air Force Base in suburban Maryland. The chief of staff was warmly applauded by his staff as the two entered the White House together.

Mr. Sununu insisted earlier in the day that he was not pushed by the president. "The president was kind enough to let me make the decision," he said.

"I've had three great years... It's time to move on," Mr. Sununu told reporters. "I knew the rules of the game when I came to town. I always told him if I could serve him best by being in the job, I wanted to be in the job, and if I became a political burden I'd be willing to leave."

It was a rare defeat for the hard-nosed political fighter, who endured

attacks since the day he was named to the job but recently felt pressure both from inside and outside the White House.

Mr. Sununu met with the president Sunday and Monday afternoons — even as Mr. Bush apparently made overtures at a Sunday dinner to Sam Skinner to replace him — but announced his response in the good-natured letter he handed to Mr. Bush yesterday.

His mellow, at times joking letter showed no sign of the fire and ice Mr. Sununu used when persuasion and promises didn't work.

"Most of all, from a purely personal perspective, I want to thank you for the fun we have had these last three years," he wrote. "In a way that will be very difficult for historians to capture, this White House was an unbelievably 'fun place' to work."

Mr. Sununu concluded his letter: "Thanks again for the privilege of serving you and this wonderful country. It really has been great!!!"

Mr. Sununu took special pains in his letter to say kind words about Barbara Bush — who at one point spoke out in his behalf after published reports that she was angry at him — and the Bush children.

It was Mr. Bush's eldest son and political adviser, George W. Bush, who talked with Mr. Sununu a week ago about the growing criticism.

Mr. Sununu said yesterday that the intervention of the president's son was not the crucial element in his decision. "I've been talking to George for the last three weeks, four weeks, so that's not..." he said, his voice trailing off.

Mr. Fitzwater was still signaling presidential support of Mr. Sununu yesterday even as the men agreed behind closed doors on details of Mr. Bush's acceptance of the resignation.

The resignation culminated a series of anonymous and demoralizing attacks that recently led Mr. Sununu

to sharply rebuke a reporter for The Washington Post at a White House ceremony, calling her stories "lies." Both The Post and the New York Times published stories yesterday, quoting anonymous sources who said the ex-governor's tenure at the White House was near its end.

Mr. Sununu's list of legislative victories included the 1990 bipartisan budget agreement, which froze government spending for five years, and a perfect record of 24 presidential vetoes with no congressional overrides.

But Mr. Sununu, an engineering professor who boasts of his high IQ, may be most remembered for the series of stories in The Washington Post about his personal use of Air Force planes and the inquisition style that sustained vetoes and led to the passage of bills but infuriated members of Congress, many of whom similarly helped themselves to free travel on Air Force planes.

Los Angeles Times

SATURDAY, NOVEMBER 30, 1991

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Sununu May Be Replaced in Shake-Up

■ **White House:** Bush would ask chief of staff to take another post, sources say. Changes could come as early as next week.

By JACK NELSON
and JAMES GERSTENZANG
TIMES STAFF WRITERS

WASHINGTON — President Bush, shaken by a dramatic drop in his popularity and by growing discontent within his own party, is considering a shake-up in his Administration that would include replacing John H. Sununu as chief of staff.

Several Bush advisers say they expect the changes to take place before the end of the year, perhaps as early as next week, although the timing may depend upon finding another position for the controversial chief of staff. Sununu may be asked to move to another post within the Administration or to take a key position in the President's reelection campaign, they said.

Although Bush has continued to publicly voice support for Sununu, behind-the-scenes pressure to replace him has come from Cabinet members, other presidential advisers and key Republicans in Congress. The pressure has intensified as conservative Republicans have broken publicly with the White House over the question of when the government should act to stimulate the ailing economy.

Several prominent Republicans—using the President's son, George Bush Jr., as an intermediary—have told the President that they consider Sununu to be a serious political liability as he embarks on his reelection campaign. The younger Bush, owner of the Texas Rangers baseball team, has conveyed the message several times recently, including during a visit with his father this week, sources said.

The President continues to feel beholden to Sununu for the key role he played in Bush's crucial New Hampshire GOP primary victory in 1988, sources said. Yet even Bush has come to realize that Sununu's continuing presence as chief of staff would hurt him politically in 1992, they said.

One source said it remained possible that Bush would decide to leave Sununu in his job as chief of staff, while transferring some of his responsibilities to longtime loyalists expected to take charge of his campaign.

But several knowledgeable sources, including some who have looked favorably on Sununu in the past, said the mounting dissatisfaction with Sununu among Bush's closest advisers makes it more likely that he will be replaced as chief of staff. All of the sources spoke on condition of anonymity.

Sununu's brusque, imperious manner has alienated other Administration officials and Republicans on Capitol Hill from the earliest days of Bush's presidency. But not until recent weeks, when many Republican critics began linking Sununu with what they characterized as the White House's

Please see BUSH, A22

(Cont.)

BUSH: President Considering White House Shake-Up

Continued from A1

lack of sensitivity to the nation's economic ills and the need for quick action on a stimulus package, has there been such intense pressure for his removal.

Bush was stunned earlier this week when 81 Republican members of the House sent a letter to the President urging him to name Housing and Urban Development Secretary Jack Kemp as the "domestic policy czar" of his Administration.

Although the letter did not mention Sununu, the criticism was implicit. As chief of staff, Sununu has acted as the President's right-hand man on many domestic policy matters, and he has feuded with Kemp on several occasions.

Marlin Fitzwater, Bush's chief spokesman, dismissed the idea proposed by the House Republicans and said Kemp was expected to remain at HUD. But another Bush adviser said the letter was such "a gesture of no confidence" in Sununu that it "really shook the President."

The timing of Sununu's possible replacement as chief of staff, according to one Bush adviser, may depend in part upon when the President picks his reelection campaign team and decides who will hold which position.

"Sununu won't be left standing out there alone; it'll be part of a package that will include announcing officials of the campaign," the adviser said.

Bush was described as being "preoccupied" with the task of resolving key personnel questions, involving both the reelection campaign and the White House staff. Sununu's future, said one source familiar with Bush's thinking, is "the top order of business."

"I think he's going to go—it's [a question of] how as much as when," said this source, referring to Bush's traditional reluctance to remove an aide who is under fire, and his desire "to do it gracefully" if he feels compelled to act.

Bush's private deliberations over what to do about Sununu, said one senior White House official, is "an eerie reminder of [Donald T.] Regan," who was dismissed as White House chief of staff during the Iran-Contra scandal that rocked the Ronald Reagan Administration.

"It's pretty bad—the general mood around here," he said.

Sources said that one of Bush's problems, as he simultaneously tries to mold his campaign staff and reshape his Administration, is that several key figures have told him they do not want to be involved in the campaign if Sununu is going to



White House Chief of Staff John H. Sununu last year with Budget Director Richard G. Darman, center, and Treasury Secretary Nicholas F. Brady, right. Sources say Sununu and Brady may be leaving posts.

play a leading role.

Commerce Secretary Robert A. Mosbacher, a longtime friend of Bush, is widely believed to be the President's choice to serve as chairman of his reelection campaign. And Bush advisers say that Transportation Secretary Samuel K. Skinner is expected to be tapped to either manage the campaign or replace Sununu as White House chief of staff.

And several Bush advisers said they would not be surprised to see another Cabinet member and longtime Bush friend, Nicholas F. Brady, resign his post as Treasury secretary.

"Nick has got to be frustrated because with the economy doing so poorly and the President facing a reelection campaign, this is not a good time to be the Treasury secretary," said one longtime Bush adviser. "He doesn't take to the political scene very well anyway, and he's got to deal with two other economic ministers—both strong personalities—in the White House: Sununu and [Budget Director Richard G.] Darman."

Neither Brady nor Mosbacher has been "bashful" about letting the President know they would like to play major roles in the campaign, said a senior White House aide who speculated that Brady might return to Wall Street and serve as finance chairman of the campaign.

The increasing prominence of

Kemp, the housing secretary, as a spokesman for Republican critics of the White House's economic policy reflects in part Sununu's diminishing ability to retain control over the Administration's public policy statements.

Despite objections from Sununu, Kemp publicly advocated immediate action on an economic "growth package" proposed by House Republicans during the final days of the congressional session. The plan called for a capital gains tax cut and other tax reductions.

Bush initially opposed taking any action before he unveiled his own economic proposals in his State of the Union address in January. But under mounting pressure from congressional Republicans, Bush reversed course and urged Congress, just before it adjourned this week, to take action on the proposal before going home.

Democratic congressional leaders called the President's action a political ploy and offered to remain in session, if requested by the President, to consider possible tax legislation to address the continuing recession. Bush declined to make the request.

Kemp, in an interview, said that Bush's decision to delay unveiling his own economic package was "very painful for me."

"I like the President a lot," he said, but added that Bush was not being "served well" by advisers who urged him to delay action until

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he addresses Congress.

One of those advisers is Sununu. The chief of staff—along with Treasury Secretary Brady, Budget Director Darman and Michael J. Boskin, chairman of the President's Council of Economic Advisers—counseled Bush to delay unveiling an economic stimulus program.

Calling "the hour very late," Kemp said that if Congress waits until March or later to act on an economic package, "that's an eternity for people losing farms, homes

and their jobs while we're waiting for the economy to turn around."

Although Kemp sought and received Bush's blessing before speaking out publicly against waiting, the President's other advisers have complained that he is not a team player and is being disloyal by opposing White House policy.

Fitzwater explained that Kemp told the President that he felt strongly about the need to act earlier to combat the recession and that he wanted to make his position known. "He said he was loyal, but these are issues he feels deeply about," Fitzwater said, "and we said go for it . . . go right ahead."

While it is extraordinary for a Cabinet member to speak out in opposition to his President's policies, Fitzwater said that Kemp and other key conservatives "represent a very important new element for the Republican Party."

"For the last decade they have brought a sense of concern for the poor and lower levels of working-class people," Fitzwater said. "They have shown how conservatives can be responsive to human needs. We've got to let them be outspoken in their beliefs to keep those ideas alive, although sometimes it's not so pleasant when they speak out."

Tue 3-Dec-91 19:28 EST

BARBARA BUSH :barbara bush that apparently changed in recent weeks

From Triumph To Resignation

WASHINGTON (AP) — John H. Sununu came to Washington in triumph with George Bush after helping rescue Bush's presidential campaign in New Hampshire's pivotal 1988 primary.

The hard-nosed, hot-tempered chief of staff survived run-ins with lawmakers in both parties and seemed to weather a flap this spring over his use of government jets and limousines for personal and political travel.

Sununu became a marked man this fall as the economy sputtered, Bush's popularity fell sharply and gaffes and flip-flops became a weekly staple of life at the White House.

Sununu, 52, a three-term governor of New Hampshire and an engineering professor, on Tuesday gave Bush a handwritten letter of resignation aboard Air Force One on a trip to Florida and Mississippi.

Sununu was accustomed to volleys of arrows and relished being the heavy in what many regarded as a good-cop-bad-cop routine with the president. He often boasted that whatever his critics said, he could count on the support of the president and **Barbara Bush**.

That apparently changed in recent weeks.

When the stock market plunged last month after Bush decried high credit-card interest rates, Sununu upbraided a reporter who wrote that it had been Sununu's idea. Later he told a television interviewer that "the president ad-libbed" the controversial remarks.

Sununu was born in Havana, Cuba, on July 2, 1939, where his parents were on a business trip. His father, a descendant of Lebanese immigrants, was in the export-import business.

Sununu grew up in New York City and went to the Massachusetts Institute of Technology after graduating as the top cadet at LaSalle Military Academy.

Sununu earned three MIT degrees, including a Ph.D. in engineering, and founded his own company while still a student. He combined engineering work with a teaching career at Tufts University in Boston while he and his wife, Nancy, raised eight children.

Sununu won election to the New Hampshire House of Representatives in 1972. He lost a Republican primary race for the U.S. Senate to Warren Rudman in 1980,

but two years later won the first of three two-year terms as governor.

As governor, he was an ardent advocate of nuclear power and licensing the long-delayed plant at Seabrook, N.H. He also brought the state out of a budget deficit, although it slipped back into one soon after Sununu turned the reins over to fellow Republican Judd Gregg.

When Bush finished a calamitous third in Iowa's opening caucuses in 1988, he turned to Sununu to get his campaign back on track in New Hampshire's primary. The vice president won and the nomination soon was his.