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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: 90639
Folder ID Number: 90639-005

Folder Title:
Tuesday, December 10, 1991

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

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. Log	White House Telephone Log (Signal Switchboard) [redaction of personal information] (1 pp.)	12/10/91	(b)(6)	
01b. Note	From Rose Zamaria to President Bush Re: Phone Call for the President from Bill Draper [redaction of personal information] (1 pp.)	12/10/91	(b)(6)	
02. Memo	From James A. Baker, III to President Bush (1 pp.)	12/10/91	(b)(1)	C
03a. Note	From George Bush to Betty Walker Re: economic news [redaction of personal information] (1 pp.)	12/10/91	C	
03b. Letter	From Betty Walker to President Bush Re: trip to Arkansas [redaction of personal information] (1 pp.)	12/02/91	C	

Page 1 of 1

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Office: Office of the President

Series: Daily Files

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WHORM Cat.:

File Location: Tuesday, December 10, 1991

Pinksheet Number: dw2398

OA/ID Number: 90639-005

Date Closed: 3/24/2014

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:



SCHEDULE OF THE PRESIDENT

Tuesday, December 10, 1991

7:30 am	<u>The President departs for Chicago, Illinois</u>	South Lawn
9:15 am	<u>Arrives Chicago Board of Trade for Tour of Trading Floor and Roundtable Discussion with Board Representatives</u> (Demarest)	Chicago
10:30 am	<u>Arrives Chicago Mercantile Exchange for Tour of Trading Floor; Roundtable Discussion with Exchange Representatives; and Address to Chicago Business and Financial Leaders</u> (Demarest)	
1:25 pm	<u>Arrives Palmer House for Address to Illinois Farm Bureau State Convention</u> (Demarest)	
2:50 pm	<u>Departs Chicago for Washington</u>	
4:00 pm	<u>America 2000 Phone Call</u> (Demarest)	Air Force One
5:40 pm	<u>Arrives White House</u>	South Lawn
8:15 pm	B <u>Congressional Christmas Ball</u> (McClure) (Black Tie)	State Floor

UNP 12/09/91
6:00 pm

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.
Chicago, Illinois
Washington, D.C.

DATE 10 December 1991

	TIME	MOVEMENTS
CST	0652	South Grounds
	0654	Oval Office
	0732	South Grounds
	0734	Depart South Grounds via Marine One
	0748	Arrive Andrews Air Force Base, Maryland
	0752	Depart Andrews Air Force Base via Air Force One
	0833	Arrive O'Hare International Airport, Chicago, Illinois
	0843	Depart O'Hare International Airport via Marine One
	0859	Arrive Meigs Field
	0904	Depart Meigs Field via Motorcade
	0911	Arrive Chicago Board Of Trade
	1030	Depart Chicago Board Of Trade via Motorcade
	1035	Arrive Chicago Mercantile Exchange
	1226	Depart Chicago Mercantile Exchange via Motorcade
	1233	Arrive Billy Goat Tavern (LOW KEY)
	1327	Depart Billy Goat Tavern via Motorcade (LOW KEY)
	1330	Arrive Palmer House (LOW KEY)
	1421	Depart Palmer House via Motorcade
	1427	Arrive Meigs Field
	1432	Depart Meigs Field via Marine One
	1449	Arrive O'Hare International Airport
	1456	Depart O'Hare International Airport via Air Force One
EST	1718	Arrive Andrews Air Force Base, Maryland
	1728	Depart Andrews Air Force Base via Marine One

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 10 December 1991

[illegible]

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 10 th , 19 91

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	6:47 AM	6:49	MR. ARIEL DeGUZMAN OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 877	TLKD-OK 7:48 A.M.
INC OUT	PM AM			
INC OUT	PM AM			
OUT	7:17 AM		SECRETARY SAMUEL K.SKINNER OFC: WASHINGTON, D.C. 202-366-1111	RES. DA NOT IN OFC. TOLD MRS. PATRICIA A. PRESOCK. SECRETARY
INC OUT	PM AM			SAMUEL K. SKINNER WALKED TO PRESUS OFC. PER MRS.PATRICIA
INC OUT	PM AM			PRESOCK 7:24 A.M.
OUT				
INC OUT	PM AM			
OUT			MRS. ROSE M. ZAMARIA OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 500	TLKD-OK 12:57 P.M.
INC OUT	PM AM	1:00		
INC OUT	PM AM			
OUT			MR. GARY J. WALTERS OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 780	TLKD-OK 5:40 P.M.
INC OUT	5:40 PM AM	5:40		
INC OUT	PM AM			
OUT			MR. JAMES W.F. ALLEN OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN. EXT. 780	TLKD-OK 9:54 P.M.
INC OUT	PM AM	9:54		
INC OUT	PM AM			

WASHINGTON

PRESIDENT BUSH

DECEMBER 10 th . 1991

[illegible]

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Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

TELEPHONE MEMORANDUM
SIGNAL SWITCHBOARD

December 10 , 1991

[illegible]

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AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

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Tuesday
December 10, 1991
9:45 a.m.

PHONE CALL FOR THE PRESIDENT

FROM: BILL DRAPER (UNDP)
212-906-5791
[REDACTED] (b)(6)

He is leaving for Honduras tomorrow - please call today.

Rose Zamaria



News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, DECEMBER 10, 1991
6:00 A.M. EST EDITION

INTERNATIONAL NEWS

U.S. CONCERNED ABOUT TENSIONS -- Bush Administration officials expressed growing concern Monday about new tensions between President Gorbachev and the powerful leaders of the three republics who formed a new commonwealth and declared the old union dead.
(Washington Post)

JUDGE REFUSES TO LIFT BAN ON HAITIAN DEPORTATIONS -- U.S. District Judge C. Clyde Atkins for a third time blocked the U.S. government from returning thousands of Haitian refugees to their homeland.
(AP)

NATIONAL NEWS

AIDS PANEL MEMBERS ENCOURAGED BY BUSH'S WORDS, NOW WANT ACTION -- President Bush scored some points by expressing his concern about AIDS. Now, those he has encouraged in a White House meeting will be looking for follow-up action.
(AP)

SUNUNU: DEMOCRATS FUELING SLUMP -- In a sharply partisan attack heralding the coming presidential campaign, John Sununu accused Democratic congressional leaders Monday of deliberately seeking to prolong the recession to damage President Bush's reelection chances.
(Washington Post)

NETWORK NEWS (Monday evening)

COMMONWEALTH -- President Gorbachev lashed out at what he called the illegal and dangerous assertion that the Soviet Union is dead.

NUCLEAR ARMS -- A senior Administration official said the Soviet breakup is a monstrous problem that will plague us for years.

AIDS -- President Bush tried to change his image concerning AIDS.

INTERNATIONAL NEWS...A-1

NATIONAL NEWS.....A-6

NETWORK NEWS.....B-1

EDITORIALS.....C-1

INTERNATIONAL NEWS

U.S. CONCERNED ABOUT TENSIONS

Gorbachev's Rejection Of Pact Cited By Administration Officials

Bush Administration officials expressed growing concern late Monday about new tensions between President Gorbachev and the powerful leaders of the three republics who on Sunday formed a new commonwealth and declared the old union dead.

U.S. policymakers said they were at first encouraged by the commitment of Russia, Ukraine and Byelorussia to the principles of peaceful change sought by the West, but became worried after Gorbachev abruptly rejected the pact.

The officials said there appeared to be no rush among other key republic leaders to embrace the new commonwealth, raising questions about whether it would become a unifying force or touch off a new round of conflict. The commonwealth "didn't have any gigantic takers today," one informed policymaker said....

A senior U.S. official told reporters, "It is not the U.S. function to prop up the center, but it is our function not to grease the skids" on Gorbachev. "Most of the republics will go independent and we will recognize them," the official added. "There is no debate on that. But we have to make it as clear as we possibly can that we want assurances that the agreements made by the Soviet Union, especially on nuclear weapons, will be kept. That is why we are talking to Ukraine right now and why [Secretary] Baker is making his trip."

(David Hoffman & Marc Fisher, Washington Post, A34)

BUSH TREATING EVENTS AS AN INTERNAL MATTER

President Bush said Monday he "hadn't talked" with President Gorbachev since three republics broke with the Kremlin....

The White House said the commonwealth arrangement would have no effect on the \$600 million in agriculture loan guarantees to the Soviet central government and republics. And Agriculture spokesman Roger Runnigen said he felt "secure" the Soviets will repay loans obtained with \$3.75 billion in credits since January.

Barbara Bush didn't mince words: She's backing Gorbachev. "I hope people remember that without him a lot of good that's happened in the world wouldn't have happened," she said. "He didn't get the (Nobel) Peace Prize for nothing."

(Jessica Lee, USA Today, 4A)

NUCLEAR CONTROL ISSUE REMAINS UNCERTAIN

MOSCOW -- Leaders fighting for control of the former Soviet Union sought Monday to reassure the world that nation's massive nuclear arsenal remains under reliable control, but their statements were marked by uncertainties and contradictions.

While Russian officials insisted that the nation's 27,000 nuclear weapons would remain under a single, unified command, Ukrainian President Kravchuk spoke of a "three-button system" under which three national leaders would have to approve launches simultaneously for the weapons to be fired.

(Fred Hiatt, Washington Post, A33)

GORBACHEV REJECTS COMMONWEALTH

Declaration By Slavic Republics Is Called 'Illegitimate, Dangerous'

MOSCOW -- President Gorbachev rejected Monday night the dissolution of the Soviet Union announced Sunday by the leaders of three Slavic republics and said they did not have the authority to take such an action.

"It is illegitimate and dangerous to declare that the union's legal norms are no longer valid. It can only intensify chaos and anarchy in society," Gorbachev said in a statement read on national television. "Of course, every republic has the right to withdraw from the union, but the fate of the multinational state cannot be determined by the will of the leaders of three republics."

Gorbachev indicated he would convene a session of the legislative Congress of People's Deputies to consider the issue and also said he "would not rule out a nationwide referendum" on the matter. A group of deputies already has begun collecting signatures needed to convene the congress to "adopt measures to restore constitutional order on the whole U.S.S.R. territory," according to Tass.

(Margaret Shapiro, Washington Post, A1)

SOVIET PRESIDENT FACES NEW FIGHT FOR SURVIVAL

MOSCOW -- For the second time in less than four months, President Gorbachev is fighting for both his political life and his historical legacy....

The consensus here is that this time his chances of survival are even slimmer than they were in August. "Gorbachev's survival at this point would be a miracle. Probably the most he can do is play for time," said a senior Soviet Foreign Ministry official. "He may not even last the week."

(Michael Dobbs, Washington Post, A1)

CHENEY WANTS FORMER SOVIET STATES TO HONOR ACCORDS

BUDAPEST -- Secretary Cheney, on his first visit to Hungary, said Monday he expects the states of the former Soviet Union to honor existing international accords.

Russia and Ukraine have already pledged their adherence to international agreements, and the U.S. was confident the other states would follow suit upon declaring independence, Cheney said.

(Erika Laszlo, UPI)

EC AGREES ON TERMS FOR COMMON CURRENCY

MAASTRICHT, Netherlands -- The EC reached agreement Monday on the terms of a historic treaty that would allow some of its 12 member states to establish a single European currency by the end of the decade....

The agreement took account of British reservations by allowing members to choose not to join. The key to the agreement was Germany's willingness to give up the identity of its strong and stable mark in favor of a new European currency despite growing domestic anxieties about adopting an untested currency.

(William Drostak, Washington Post, A1)

MIDEAST TALKS SET TO OPEN TODAY; PARTIES FACE WIDE GULF ON ISSUES

After weeks of maneuvering by Israel and its Arab neighbors to gain the public relations and procedural upper hand in the Middle East peace process, the parties say they are ready to start talking about the issues that must be resolved before they can reach a peaceful end to their 43-year conflict.

The long-delayed talks are expected to start today. But the closer the participants get to talking about substance, the wider the gulf between Arabs and Israelis is likely to appear....

The State Department said Monday it has set aside only one conference site for the Israeli-Jordanian-Palestinian talks, but there is room to expand if the delegations agree to do so.

(John Goshko & Jackson Diehl, Washington Post, A16)

JAPAN OPPOSES U.N. ZIONISM STANCE

TOKYO -- Moving to align itself closer to the U.S. and Israel on Middle East policy, Japan has decided to vote to rescind the controversial U.N. resolution equating Zionism with racism, senior government officials said Monday....

"It is our position now that the Zionism-is-racism resolution is wrong. We have abstained before, but this time, we will vote to rescind," said a top Foreign Ministry official.

(T.R. Reid, Washington Post, A17)

FORMER HOSTAGE SAYS IT'S TIME TO FORGIVE AND FORGET

Former hostage Thomas Sutherland says he opposes trying to capture the Lebanese kidnappers who held him for nearly 5.5 years, kept him in solitary confinement for weeks at a time, beat him and drove him to attempt suicide.

"I think this is the time to forget it and go on with the peace process," Sutherland said Monday during a visit to Voice of America. "I think it would simply lead to further violence if the United States or Britain or France go after these guys and try them and lock them up."

(Dale Nelson, AP)

**IRAQ, DESPITE U.N. SANCTIONS, IS ABLE TO BUY FOOD, REBUILD
Embargo-Busting, Hidden Reserves Are Cited**

BAGHDAD -- Despite almost 16 months of U.N. sanctions, Iraq's government appears to have access to funds that it is using to buy food and to finance some reconstruction projects, according to diplomats and U.N. officials here.

The sources of this income are a mystery, but they may include gold reserves held before Iraq's August 1990 invasion of Kuwait; cash stolen from Kuwait; and limited sanctions-busting sales of Iraqi products, according to these officials and a recent staff report by the U.S. Senate Foreign Relations Committee.

In addition, exiled Iraqi opposition sources have said they believe that Saddam Hussein has access to secret bank accounts overlooked when Western governments froze Iraq's foreign assets in August 1990.

(Caryle Murphy, Washington Post, A31)

OIL PRICES PLUNGE ON IRAQI EXPORT PLAN

Crude-oil prices, after dropping gradually for a month, fell below \$20 a barrel Monday for the first time since June.

The price of light sweet crude for January delivery was \$19.42 a barrel, down 62 cents. "I can't remember an oil price decline that happened with less national attention," says Tom Kloza of Oil Price Information Service. Immediate reason for the decline was a report Friday in Petroleum Intelligence Weekly that Iraq was willing to talk with the U.N. about a plan to allow oil sales, the proceeds of which would be used for humanitarian purposes in Iraq.

(Pat Guy, USA Today, B1)

IRAQ ASKS RELEASE OF FUNDS TO EASE 'CRITICAL' FOOD NEEDS

BAGHDAD -- Iraq, saying U.S. bombing in the Persian Gulf War destroyed nearly \$1 billion worth of food, is appealing to the West to unlock Iraq's money so it can feed its people. "The situation is critical -- I think that is what you want to hear," Trade Minister Mohammed Mehdi Saleh told reporters Sunday.

(Reuter, Washington Post, A35)

IRAQI KURDS URGE INTERNATIONAL INTERVENTION

ANKARA -- Iraqi Kurdish leaders called Monday for new U.N. intervention and more military restrictions on Baghdad to halt fighting that has driven tens of thousands of Kurds from their homes.

The Kurdistan Front, an umbrella group for eight major Kurdish parties, sent a statement to the AP calling for the urgent dispatch of international relief to northern Iraq. It said 200,000 Kurds had been driven from their towns since early October because of Iraqi shelling, which continued as recently as Sunday. The U.N. recently reported the same figure.

(Rasit Gurdilek, AP)

JUDGE REFUSES TO LIFT BAN ON HAITIAN DEPORTATIONS

MIAMI -- A federal judge for a third time blocked the U.S. government from returning thousands of Haitian refugees to their homeland. U.S. District Judge C. Clyde Atkins late Monday refused to lift a temporary injunction he granted a week ago against returning the Haitians intercepted at sea. That decision reinforced a Nov. 19 federal court ban.

(Will Lester, AP)

MORE HAITIAN REFUGEES TO GET MIAMI HEARINGS

MIAMI -- The number of Haitian boat people allowed into the U.S. to pursue political asylum claims has tripled in just one week, the result of improved State Department findings on Haiti's political situation, an immigration official said Monday.

As of Monday, 757 of 4,593 Haitian refugees interviewed at Guantanamo Naval Base have been deemed potential political refugees, up from 210 last week.... Duke Austin, a spokesman for the Immigration and Naturalization Service, said the sudden increase in potential political refugees stems from better, more current State Department reports on what is happening in Haiti.

(Lizette Alvarez, Knight-Ridder)

JUDGE HALTS IMPORT OF NUCLEAR FUEL RODS

A federal judge Monday blocked the government from importing 118 nuclear fuel rods from Taiwan until it details the potential environmental risk.

U.S. District Judge Royce Lamberth said the Energy Department must take additional steps before hauling the spent fuel rods by ship to Hampton Roads and then by truck to a processing plant on the Savannah River in South Carolina. (AP, Washington Post, A19)

N. KOREAN SHIP UNLOADED MISSILES

A North Korean freighter carrying a shipment of Scud-C missiles bound for Syria has returned to its home port without delivering its cargo directly to the Middle East, Bush Administration officials said Monday....

The fate of the missile shipment now is uncertain, and one official said it is "likely" that the North Koreans transferred the arms to another ship at one of its port calls.

(Bill Gertz, Washington Times, A6)

U.N. PASSES VOLUNTARY REGISTER TO CURB ARMS SALES

U.N. -- At a time when the international arms trade may be starting to grow again after a sharp decline, the U.N. General Assembly voted overwhelmingly Monday to establish the first register of international arms sales. The aim of the register, which won strong support in the wake of the Persian Gulf War, is to curb the international traffic in arms by publicizing transactions and identifying potential trouble spots by showing where arm stocks are increasing. (Paul Lewis, New York Times, A11)

**JUDGE BACKS NAVY'S RIGHT TO OUST GAY MIDSHIPMAN
AIDS Epidemic Cited As Justifiable Rationale**

A federal judge has upheld the right of the Navy to expel a midshipman from the U.S. Naval Academy, saying the military's ban on homosexuals is a justifiable weapon against the spread of AIDS.

The ruling by U.S. District Judge Oliver Gasch is the first to invoke the AIDS epidemic as a rationale for the military's exclusion of homosexuals. (Tracy Thompson, Washington Post, A4)

**AGENCIES DEVISING PLAN FOR FEDERAL LABS
TO HELP INCREASE U.S. COMPETITIVENESS**

The Energy and Commerce departments are working on a "major initiative" for 1992 to increase the role that federal laboratories play in strengthening American economic competitiveness, Secretary Watkins said Monday.

It would build on existing programs under which federal labs are allowed to form research and development consortia with private companies and universities. But Watkins predicted it would mark "a major change in how we do business."...

After his speech, Watkins left for the White House, where President Bush signed into a law a bill adding \$1 billion over five years to existing federal programs to build a high-capacity data network linking computers. (John Burgess, Washington Post, B1)

NATIONAL NEWS

AIDS PANEL MEMBERS ENCOURAGED BY BUSH'S WORDS, NOW WANT ACTION

President Bush scored some points by expressing his concern about AIDS. Now, those he has encouraged in a White House meeting will be looking for follow-up action. "Some meetings are more important because they were held than what was said in them," said commission member Donald Goldman. "He (Bush) was clearly engaged in the issues, and hopefully that interest will be translated into action."...

Commission member Harlan Dalton said he also thought Bush was "quite engaged" in Monday's briefing. "I hope he will remain engaged," he said. Asked whether he was encouraged, Dalton said, "I took the President to be genuine in his expression of concern and if he acts on them I'll be mightily encouraged." But Rene Durazzo, director of public policy for the San Francisco AIDS Foundation, said he is still concerned that Bush "seems way out of touch...on the impact of the disease on the local level."

(Deborah Mesce, AP)

'BAD DECADE' ON AIDS LOOMS, BUSH IS TOLD

President Bush was warned Monday there is "a bad decade coming" despite progress in the war against AIDS. Meeting with top health officials and the National Commission on AIDS, Bush said the government has "good people working on it" and asked how the White House can be of more help in combating the disease.

June Osborn, chairwoman of the commission, said the disease has been "putting pressures on a lot of our social structures that were a little shaky to start with," including the lack of health coverage for millions of Americans. "We've got a bad decade coming," she told the President.... Osborn said Bush's attention to the issue is encouraging. "It's going to be a great help if he really gets into these issues...and throws the enormous weight of that office behind some efforts that are stalled," Osborn said after the briefing.

(AP, Washington Post, A8)

BUSH, AT AIDS BRIEFING, VOWS MORE HELP FROM WHITE HOUSE

In a first for the nation's 10-year-old AIDS epidemic, President Bush sought Monday to get personally involved in the nation's battle against the disease.... Some viewed the briefing as an attempt by Bush to show that he is concerned with domestic issues. "I think it clearly represents a conclusion on the part of the President's political handlers that he's vulnerable for not having done more," said Jeff Levi of the AIDS Action Council....

Some viewed the session as a crucial missed chance to tell the President directly what is lacking in the nation's response to AIDS. "We'll never get that face-to-face opportunity again, I'll bet," said Larry Kessler of the Massachusetts AIDS Action Committee. "I thought he was sincerely asking for more information." "We're sort of despairing here," said Carissa Cunningham of the AIDS Action Council. "These people are our friends. It was an opportunity to say something to the President, but it wasn't said."

(Richard Knox, Boston Globe)

-more-

SUNUNU: DEMOCRATS FUELING SLUMP**Departing Bush Aide Says House Leaders Seek To Prolong Recession**

SALT LAKE CITY -- In a sharply partisan attack heralding the coming presidential campaign, John Sununu accused Democratic congressional leaders Monday of deliberately seeking to prolong the recession to damage President Bush's reelection chances.

Speaking to a meeting of the Republican Governors' Association, Sununu singled out Rep. Foley and Sen. Mitchell for harsh criticism as he invoked what is expected to be a main Bush reelection campaign theme next year.

"It is the Foley-Mitchell dance of tuck it to America first that is causing the problems that we see today," Sununu said in reference to the stagnant economy.

While Bush has annually proposed steps to stimulate economic growth, he added, "Each year Foley and Mitchell have decided that they would rather not see America grow, that they would rather not see an expansion of jobs, that they would rather provide the benefit to the Democrats of a slowing economy."...

Secretary Brady told a news conference that "it's a Democratic ploy" to suggest Bush has no domestic agenda and promised that the President will propose "a very strong program" in his State of the Union address next month....

"They're trying to say his work with other nations makes no difference at home," South Carolina Gov. Carroll Campbell said. "Tell that to Terry Anderson." (Edward Walsh, Washington Post, A6)

BUSH ADVISER SAYS 1992 DEMS INDISTINGUISHABLE FROM DUKAKIS

Senior political adviser Charles Black said Monday it doesn't matter which candidate the Democrats nominate in 1992 because all of them have the same liberal record as Michael Dukakis.

"On taxes, spending, crime and education, every Democrat in the field has the same liberal record and liberal views on these important matters that we witnessed with Gov. Dukakis and Walter Mondale," Black said....

Black, addressing the Republican Governors Conference, said that every Democrat now seeking the nomination, including Gov. Mario Cuomo, "follows what we learned to characterize in 1988 in shorthand as the ACLU agenda."...

To Black, "it doesn't really matter to the President's campaign who the Democrats nominate" because whoever it is, "there will be a clear contrast between George Bush's positions for family values and the elitist social engineering positions that every one of the Democratic candidates espouses," he said....

Black said the Bush campaign expects an improvement in the economy well before the election but added the President was prepared to run on a "worst-case scenario" of no improvement.

"We will run scared. We will assume that the economy is in the same shape as it is now," Black said. "We will be proud to run on President Bush's record." (Irwin Arief, Reuter)

BUSH'S NEW CAMPAIGN MANAGER CONTRIBUTED TO SOME DEMOCRATS

Frederic Malek has received a less than warm welcome from at least one state GOP chairman who has complained that Malek has given money to Democratic candidates.

Malek contributed \$2,000 to Sen. Wirth, who is up for reelection next year, and \$1,000 to Dianne Feinstein, who is seeking the Democratic nomination to challenge Sen. Seymour.

Malek also made contributions to Sen. Lautenberg and Sen. Robb in previous election cycles, according to Federal Election Commission records.

Bruce Benson, Colorado Republican chairman, was said by GOP sources to have complained Monday to Malek at a Bush-Quayle fund-raising meeting about his contributions to Wirth.

("Politics," Washington Post, A8)

Manager Of Bush Campaign Has Given To Key Democrats

Fred Malek has contributed heavily to the U.S. Senate campaigns of four prominent national Democrats, including one who hopes to unseat an incumbent Republican....

"Those people are all long-term personal friends," Malek said. "I think what it demonstrates is that personal relationships and admiration of character and competence sometimes go in a different direction than pure political considerations would lead you."...

Malek said he is a longtime friend of Diane Feinstein and her husband, Richard Blum. "I feel she is an extraordinarily effective public servant," he said. "My view is that while I'm a Republican and will always support the Republican candidate, I feel that someone like Diane will serve the country well."

(Rocky Mountain News, Washington Times, A1)

BUSH'S FUND-RAISING PASSES EARLY GOAL

The news from Bush-Quayle fund-raisers, whose national leadership met Monday, is bullish, despite the President's tumbling popularity and worries over the economy. Margaret Alexander, deputy finance chairman, said the committee has raised \$9.1 million, nearly \$1 million more than its goal for now and 28 percent of its overall goal. The effort is comfortably ahead of the Reagan-Bush reelection receipts at a comparable time.

("Politics," Washington Post, A8)

GOP LEADERS MAKE PLANS TO KEEP DUKE OUT

Michigan GOP spokesman Bryan Flood calls him a "con man...a political curiosity."...

But despite the tough talk by state Republican leaders across the nation about David Duke's presidential bid, the reality is that little can be done to keep him off most state ballots.

"Democrats and Republicans write the rules themselves, and they just never want to make it hard on their own," says Richard Winger, who publishes Ballot Access News....

Duke has already been included on preliminary lists in Georgia and Maryland and the Michigan secretary of state is expected -- despite protests by state GOP -- to include him there on Friday.

(Bill Nichols, USA Today, 8A)

AILES BAILS OUT

...Roger Ailes has made it official after months of denial: He "is shifting the focus of his company from political media consulting to corporate and entertainment clients." Therefore, he won't be working with President Bush in '92, though Bush "is my friend and on a personal level I will always help him if he needs me."
("Inside The Beltway," USA Today, A6)

RAINBOW COALITION MAPS OUT ECONOMIC AGENDA

MEMPHIS -- Jesse Jackson's Rainbow Coalition on Monday mapped out an economic agenda by which it will judge 1992 presidential and congressional candidates. On the agenda are national health care, worker rights, taxes for the wealthy and corporations, and cuts in defense spending for Germany and Japan.... Jackson said it's not enough for Democrats to Bash President Bush. "We need an alternative to Bush," he said.... Jackson said the coalition will push for a comprehensive national health care system. "We want the plan that applies to Mr. and Mrs. Bush when they get sick to apply to the people that pay for it," Jackson said.

(Joey Senat, Scripps Howard)

**DESPITE 'CLASS WARFARE' ISSUE, SOME DEMOCRATS
ARE PUSHING PROPOSALS TO CUT CAPITAL-GAINS TAX**

For much of the public, "capital gains" has become all but synonymous with "Republican tax breaks for the rich," thanks to the Democrats. Or, as President Bush gripes, they've made it "a code word for class warfare." Politically, the Democrats have prospered from this fight. The President has been on the defensive, the fairness issue has hurt the Republicans, and polls show that most Americans prefer other types of tax relief.

But amid the war of words, a number of Democratic lawmakers and presidential candidates are struggling to promote their own proposals to cut taxes on income from the sale of assets such as property or stock. And while most such ideas aren't nearly so sweeping as Bush's, the odds are good that some limited break will be part of a broad tax package next year aimed at spurring the economy.
(Jackie Calmes, Wall Street Journal, A16)

POLL FINDS AMERICANS WORRIED ABOUT COUNTRY'S COURSE

More than two-thirds of Americans believe the country is "seriously off on the wrong track," a marked change from the optimism reflected during the Persian Gulf War, according to poll results released Monday.

The national survey found 24 percent believe things are moving in the right direction. Sixty-eight percent said things were off on the wrong track, and 8 percent had no opinion. The survey of 1,000 adults was conducted Nov. 25 to Dec. 2 by a bipartisan team of pollsters for the private Americans Talk Issues Foundation....

In a theoretical matchup, those polled said they would vote 54 percent to 31 percent for an unidentified Democratic presidential candidate running against President Bush on a platform of domestic issues, including tax relief for the middle class and health care. Bush came out ahead, 41-37 percent, when the race was defined in terms of foreign policy issues.
(Jim Drinkard, AP)

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**WHITE HOUSE DEFENDS COMPETITIVENESS CHIEF
No Conflict Of Interest Found, Aide Reports**

The White House said Monday that its top regulatory review official, who has a financial interest in chemical and electric power companies, has not engaged in conflicts of interest by supervising environmental rules covering those industries.

But a White House aide said the official, Allan B. Hubbard, may place his sizable financial interests in a blind trust while he continues to serve as executive director of the President's Council on Competitiveness....

Monday's defense of Hubbard was sent to Rep. Waxman.... The letter from Gregory Walden, associate counsel to the President, said Hubbard would not be attending the hearing on the subject Tuesday. (Michael Weisskopf, Washington Post, A19)

DAGGERS FLASHING

Douglas Wead, the ousted White House public liaison official, unloaded on John Sununu in an interview with the syndicated "Point of View" radio talk show. Wead told interviewer Marlin Maddoux that conservative access to the White House was restricted to those who played up to Sununu rather than to those who supported President Bush.

Wead praised the program he helped put in place that allowed conservative leaders to come in to the White House for special briefings with the President, and he singled out Brent Bozell of the Conservative Victory Committee. He said the idea was to "reassure our friends" and "reward those who were helping us." He called Bozell "a star example" because he was helping Bush through institutional advertising and was otherwise supportive.

("Inside The Beltway, Washington Times, A6)

**PREELECTION RULING LIKELY ON ABORTION
Pennsylvania Asks High Court Review**

The likelihood that the Supreme Court will rule on abortion rights before the November election significantly increased Monday when the state of Pennsylvania asked the court to review its law requiring pregnant women to inform their husbands about their intention to have abortions....

Pennsylvania Attorney General Ernest Preate said in a press release Monday that he was "optimistic" the court would decide the case this term. (Ruth Marcus, Washington Post, A1)

ACLU ATTACKS JUSTICE DEPARTMENT DRIVE AGAINST SEXUAL ART, BOOKS

Justice Department lawyers are trying to suppress sexually oriented art and literature by financially draining publishers, distributors and moviemakers, the ACLU says.

The ACLU on Monday released a report, "Above the Law: The Justice Department's War Against the First Amendment," that charged that the department uses illegal and unconstitutional tactics in its anti-pornography drive.

The group called on the department to disband its "Child Exploitation and Pornography Section" and said Congress should monitor the unit until it is dissolved. (Harry Rosenthal, AP)

JUSTICE DEPARTMENT SAYS IT'S LOOKING INTO BEEF PRICING TRENDS

The Justice Department says it is keeping a close eye on beef pricing trends after lawmakers sought an antitrust investigation of the retail markup on wholesale meat.

Sens. Bob Kerrey and Exon said the retail markup on beef has begun to tumble since they asked the Justice Department to review the issue in August....

"It's interesting that the wholesale-to-retail price spread began to shrink after our inquiry," Exon said. "While a scientific correlation may be difficult to prove, it reinforces our view that the wholesale-to-retail price spread warrants close scrutiny."

(Jennifer Dixon, AP)

OSHA WEAK ON ENFORCEMENT, STUDY SAYS

The government is a weak enforcer of worker-safety laws, fining major companies for less than one-third of the citations issued against them over the past 14 years, said a study released Tuesday.

OSHA "has more bark than its bite," said Jim Donahue, who wrote the study for Essential Information, a Washington-based group founded by Ralph Nader. OSHA imposed penalties for only 32 percent of the citations issued against the nation's 50 largest corporations from 1977 to 1990, the report said. (Karen Ball, AP)

**INTERVENTION BY LUJAN REVIVES OREGON FIRM'S CONTRACT DISPUTE CASE
Default Appeal Puts 2 GOP Senators At Odds**

Secretary Lujan has intervened on behalf of an Oregon contractor with the Bureau of Reclamation. Lujan's intervention gives the Oregon firm another chance to appeal its \$3.3 million claim against the government even though the claim has been repeatedly opposed by the bureau and rejected by the Interior Department's Board of Contract Appeals.

The case has pitted two Republican senators on opposite sides. Sen. Packwood repeatedly has championed the contractor from his state in appeals to the department.... On the opposite side of the complex case is Sen. Garn. Garn has suggested that Lujan overstepped his legal authority in taking up the contractor's cause.

(Tom Kenworthy, Washington Post, A19)

EDITOR'S NOTE: "The First Lady's Yuletide House Tour," by Donnie Radcliffe, appears in The Washington Post, page C2.

"White House Is Jolly For Its Season Of Holly," by Anne Gowen, appears in The Washington Times, page E1.

NETWORK NEWS

(Monday evening, December 9)

SLAVIC COMMONWEALTH

ABC's Sam Donaldson: President Gorbachev, desperately trying to save his country and his job, lashed out today at what he called the illegal and dangerous assertion that the Soviet Union no longer exists. But indeed, there is every indication tonight that that is the case. It was yesterday that the leaders of three powerful Slavic republics -- Russia, Byelorussia and the Ukraine -- announced they have formed a new commonwealth, with the city of Minsk the coordinating capital, not Moscow. And Gorbachev? Well, today Russian President Yeltsin met with him, apparently to tell him he has no role. But as ABC's John Donovan reports from Moscow, Gorbachev is not going quietly.

Donvan reports that Gorbachev called the new commonwealth unconstitutional and said he is going to call on the parliaments of each of the republics to choose between the new commonwealth, which would have no central government, and a new union that Gorbachev himself would head, with perhaps a national referendum on the question. But already, the Russian foreign minister has said it is too late for that. At their meeting this weekend, the commonwealth leaders invited other republics to join. But some of them, such as Kazakhstan, are hesitant to join, fearing Slavic domination. Kazakhstan President Nazarayev supports Gorbachev, believing a union headed by him would better protect the interests of the smaller republics. He knows, however, that Kazakhstan may have to join the commonwealth in order to survive economically. Nazarayev told reporters tonight, "I am a pragmatic politician; at least the government of Kazakhstan will discuss this project." Today on the Moscow Metro, most people saw the commonwealth as a step forward, although some hoped the weaker republics will not join, fearing they would impede its progress toward prosperity. Unlike Gorbachev, many on the subway believe the commonwealth may halt the disintegration of their country. (ABC-Lead)

NBC's Tom Brokaw: Mikhail Gorbachev remains president of the Soviet Union tonight -- whatever that is -- but he appears to be a man in an empty office. Three of the most powerful republics now have joined forces and declared the old union dead.

NBC's Jim Maceda reports on the situation. Soviet watchers say Gorbachev is postponing the inevitable. In effect, the commonwealth accord terminated the central government and the Soviet Union. The commonwealth pledged to launch radical market reforms and a joint bank and common currency; to coordinate foreign policy; and to form a joint military command with the thousands of nuclear weapons on the three republics' soil under centralized control. Russian leaders took pains to reassure the West that the breakup of the old union would not risk nuclear conflict.

(Russian Foreign Minister Kozyrev: "No distribution or division of nuclear arms or loss of control of nuclear weapons will take place.")

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Maceda continues: Many believe Kazakhstan, a Moslem republic, will be the next to join the commonwealth, and Kazakh President Nazarbayev quoted Yeltsin as saying Gorbachev could still play a leadership role. Meanwhile, the people, facing huge price hikes next week, say they've lost faith in all leadership. (NBC-Lead)

CBS's Dan Rather: One of the most important headlines of the century led today's news:

(TV coverage: New York Times headline)

"Declaring Death of Soviet Union, Russia and Two Republics Form New Commonwealth." In a story with far-reaching consequences for world peace and prosperity, the questions now center on what next, who's in control now and what happens to the world's largest arsenal of nuclear weapons. A day after Russia's Boris Yeltsin and the leaders of Byelorussia and the Ukraine declared a new commonwealth, Gorbachev said he rejects their claim to the Kremlin's power and there's talk of a possible new coup.

CBS's Anthony Mason reports on the commonwealth. Yeltsin's backers deny that his move was something akin to a coup.

(Russian Foreign Minister Kozyrev: "Any attempt to deny authority of legitimately elected leaders, to my mind, will be recalled.") Gorbachev says he will not resign and has called for a meeting of the Soviet parliament. But if the military stands by Yeltsin, Gorbachev could become a president without a country. (CBS-Lead)

COMMONWEALTH/NUKES

NBC's John Cochran: A senior Administration official said today the Soviet breakup is a monstrous problem that will plague us for the next 50 years.

(TV coverage: President Bush walking on South Lawn)

Until the dust settles, President Bush will try to avoid making any public judgments. But the migraine headache for U.S. officials is the nuclear arsenal scattered throughout the republics, even though leaders of the new commonwealth promised to honor all agreements with the U.S. Yesterday, Boris Yeltsin assured Bush the weapons will be kept under a single command. That is what the U.S. is pushing for.

(State Dept. spokeswoman Tutwiler: "We support a single, unified control over the nuclear weapons in the Soviet Union, wherever they are. We do not want to see a proliferation of independent nuclear states.")

But privately U.S. officials are worried stiff that individual republics will be tempted to beef up their bargaining power by becoming a nuclear power. On top of that, disgruntled Soviet soldiers might grab nuclear weapons. Some soldiers are literally going hungry and might even want to sell weapons for money. Does the U.S. have any influence over events?

(Helmut Sonnenfeldt, Soviet affairs specialist: "The Russians and the Ukrainians and the others want recognition from the United States. That gives us leverage. Secondly, they want economic and financial assistance from the United States.")

But the U.S. is too hard-pinched itself to offer much financial help, especially in a presidential election year. And Bush is virtually helpless to bail out Mikhail Gorbachev. Today the strongest words of support came not from the President, but from Barbara Bush.

Cochran's report continues:

(First Lady, standing next to Christmas tree in East Room: "I hope people remember that without Gorbachev, a lot of the good things that have happened in the world wouldn't have happened. I mean, he didn't get the peace prize for nothing.")

And nothing is about all Gorbachev can expect from a White House still befuddled by the changes of the past 24 hours. (NBC-2)

CBS's David Martin reports that this afternoon, Ukrainian President Kravchuk was quoted as saying a new system for controlling the nuclear weapons has been created, with three nuclear buttons: one for each of the three republics which have formed the commonwealth. Leaders in all three republics would have to punch the buttons simultaneously to launch nuclear weapons. It is not at all clear how that will sit with the Bush Administration, which knows what it wants but is not sure how to get it.

(Tutwiler: "We support a single, unified control over the nuclear weapons in the Soviet Union, wherever they are.")

About 90 percent of the nuclear weapons are located in the commonwealth, leaving some 3,000 in republics like Kazakhstan, not part of any union, giving rise to some nightmare scenarios.

(Secretary Baker, on CBS's "Face the Nation": "We really do run the risk, in my view at least, of seeing a situation created there not unlike what we have seen in Yugoslavia -- with nukes, nuclear weapons, thrown in.")

Many experts say the Soviet military has the capability to take control of nuclear weapons away from civilian leaders and use them for its own purposes, which could include a last-ditch attempt to reassert its power over the political system. (CBS-2)

Donaldson reports the Russian foreign minister said today nuclear weapons will remain under central control. But President Kravchuk said the Ukraine wants some authority over the weapons, too.

ABC's John McWethy reports on the U.S. reaction to the nuclear issue. U.S. officials conceded today the U.S. doesn't know exactly who is in charge of the missile launch codes now that Gorbachev is no longer boss. It is also unclear whether the military at this point would follow orders from either Moscow or the republics. The good news is the leaders of the republics are saying they want to abide by treaties negotiated with the U.S., and many are saying they want to go even further in dismantling the arsenal.

(Blair Ruble, Der Kennan Institute: "I think the bad news is the scale of problems is so enormous and the stage of disintegration so advanced that it's going to be very difficult for anybody to keep control of the overall situation.")

(Henry Dodds, Jane's Intelligence Review: "It will be very tempting for a republic that desperately needed the hard currency to feed its people to say, We have nuclear weapons; we can find a buyer for them on the world market.")

There is also the concern that civil war could break out and nuclear weapons could then become prized possessions. That's why Secretary Baker is going to Russia, the Ukraine and Byelorussia next week, to push for rapid demobilization of their nuclear forces before economic chaos takes over. Officials say Baker is so concerned that he will offer to help pay for part of the expensive process of destroying the warheads if the republics will just agree to move quickly. (ABC-2)

Brokaw interviews William Hyland of Foreign Affairs and Andrei Kortunov, senior analyst at the Soviet-USA Canada Institute, on the Slavic commonwealth.

Hyland thinks President Bush's biggest concern is whether this will work or deteriorate into interrepublic conflict. On balance, however, Hyland thinks this is the first good news since the coup. We're beginning to see some kind of unity and entity in what used to be the USSR. Hyland thinks that now is the time for U.S. aid for the winter, because we're now beginning to see who is in charge. Hyland believes we should support the Slavic commonwealth and if necessary support emergency aid. As for Gorbachev, he is the principal obstacle to unity and should step aside.

Kortunov thinks the military will not act as a single actor. Nevertheless, he thinks most of the military will support the decision because it wants to see some kind of commonwealth uniting the republics. Kortunov thinks that symbolically, American aid might be very important. However, very much will depend upon the system of distribution. Kortunov believes it is time for Gorbachev to step aside -- but he is now playing for time and will try to undermine the chances for the commonwealth succeeding. (NBC-3)

Rather interviews Princeton University's Stephen Cohen about the commonwealth. Cohen says the USSR still remains one military grid, one economic grid, and a kind of genetic grid -- 60 million live outside the ethnic republics. The problem with the deal is it left out a lot of important actors, like the Central Asian republics and the military. The military could sabotage the agreement passively or use it as a pretext to strike. As for Gorbachev, he ought to resign, but his advisers tell Cohen that he feels a moral obligation to stay there and try to bring unity. (CBS-3)

EC

ABC's Jim Bitterman reports on the EC nations meeting in Maastich to work out final arrangements for a new federation. The U.S. would applaud a stable Europe which could add its weight to resolving world crises. Earlier fears that a strong Europe might freeze out American industry have simply not materialized.

(Ed Streater, U.S. Chamber of Commerce: "What we seek above all is a strong, reliable, economically sound partner in Europe with whom we can continue to work toward peace and security worldwide.")

CBS's Tom Fenton reports on the meeting. Prime Minister Major's voters think he should walk out of the summit rather than surrender sovereignty to a European government. But it is Chancellor Kohl who is dominating this summit. He has a serious problem back home with the rise of the neo-Nazis, and his argument is that the best way to keep history from repeating itself is to bind Germany to a strong European government. (ABC-10, CBS-4, NBC-9)

INTIFADA/PEACE TALKS

Rather reports Palestinians demonstrated in the West Bank to mark the fourth anniversary of the intifada. And the start of Arab-Israeli peace talks in Washington was postponed until at least tomorrow. (CBS-10)

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PENTAGON/GAYS

Donaldson reports a federal judge ruled today that the Pentagon has the right to ban homosexuals from serving in the military, in part, he says, to protect soldiers and sailors from AIDS. The judge ruled against a former naval academy midshipman who was forced to resign before graduation because he is homosexual. The man's lawyers say he will appeal. (ABC-3, NBC-11, CBS-15)

AIDS/PRESIDENT

Donaldson: The subject of AIDS was also on President Bush's agenda today as he continues to focus on domestic affairs. Bush's own commission on AIDS has accused him of failing to exercise leadership in combatting the disease. Today Bush tried to change that image at a briefing from all of the top people in government concerned with AIDS.

ABC's George Strait:

(TV coverage: President Bush at AIDS Commission meeting)
Bush had never attended a meeting with his AIDS commissioners before. He responded to their criticism by asking what more he could do to help convince people to avoid the kind of behavior that puts them at risk for getting AIDS.

(President Bush, at meeting: "We need to do better in getting this behavioral message out there.")

The chair of his AIDS commission said yes, and asked Bush to overrule his health secretary, who has refused to pay for a controversial scientific survey on sexual practices.

(Dr. June Osborn, chairman, National Commission on AIDS: "We mustn't cripple ourselves by deciding there are certain things we don't want to ask about people because of a sense of ill taste or something like that.")

Bush made no commitments. He seemed more interested in getting assurances about what he said were questions about the safety of the blood supply.

(FDA Commissioner Kessler: "It is very fair to say that the nation's blood supply is safe." President Bush: "I think people are scared of that. That's very reassuring." Secretary Sullivan: "I think it's safe to say, Mr. President, that the nation's blood supply is so safe that no one should have fear of a transfusion.")
The President got high marks today for making such a visible expression of concern about AIDS. But AIDS activists say they want to see if that concern goes beyond this one, highly publicized meeting. (ABC-4)

Rather: President Bush met with federal health officials today, including members of the National Commission on AIDS.

(TV coverage: President at AIDS meeting)

The advisory group has accused Bush of a lack of leadership in fighting the disease. (CBS-16)

AIDS/BERGALIS

Rather reports a memorial service was held today for Kimberly Bergalis, who died of AIDS Sunday at the age of 23.

CBS's Juan Vasquez looks at Bergalis' life and legacy.

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Vasquez continues: In addition to Bergalis, four more patients of her dentist, Dr. Acer, have learned they are HIV-positive. Because they were tested early, thanks to Kimberly, they have a chance to live longer. Barbara Webb forged an intense friendship with Kimberly and says she owes her life to her.

(**Webb:** "There's got to be mandatory testing where invasive procedures are concerned. And that was the banner she carried, and that is the banner, the baton, the torch -- call it what you will -- I am going to carry for her, because she can't do it any more.") The current policy in the medical community relies on voluntary disclosure. Since there is still no mandatory AIDS test requirements, experts say there are other Dr. Acers out there still practicing. (CBS-17)

HEALTH CARE

Donaldson reports a number of Democratic senators are traveling around the country this week, holding hearings on how to reform the health care system. Today the senators were at the University of Tampa in Florida, focusing on the costs of health care and its impact on families.

NBC's Robert Bazell reports on the senators' trip. They began their day with a tour of a neo-natal intensive care unit.

(TV coverage: Sen. Mitchell touring facility)

Often infants will need hundreds of thousands of dollars of care because their mothers did not get inexpensive prenatal care.

(**Sen. Mitchell:** "The problem with the American health care system is not that we need to spend more money. We are already spending too much money.")

Mitchell and three other senators heard from individuals, including Ray Ross, whose health insurance could not pay \$3,000 of the \$10,000 he was charged for a broken thumb. And they heard from Connie Wells.

(**Connie Wells:** "I challenge you to pull together the finest resources and work toward the solution to our health care crisis that is morally right.")

Three of Connie and Bob Wells' four children have serious medical problems. The Wells had health insurance, but their insurance company cut them off when it was clear how high their bills would be. Then they had to sell their farm and look for lower-paying jobs to qualify for Medicaid.

(**Bob Wells:** "And I don't care who did it, you know, if the Republicans did it or the Democrats did it, it's fine with me. But somebody needs to address this issue.")

It is the Democrats who clearly hope to seize health care as their issue.

(**Sen. Mitchell:** "President Bush has been in office for three years and he has yet to offer any plan, any proposal, any program to deal with the problem of health care.")

President Bush has said he'll announce his plans for health care reform in the State of the Union Address next month. The Democratic majority in Congress expects to pass a bill guaranteeing health care for all Americans in plenty of time to make the difference between the Democratic and Republican proposals a major issue in next November's election. (NBC-5, ABC-5)

S&Ls/RTC

ABC's Tom Forman reports on the Resolution Trust Corporation.

(Kevin Shields, RTC spokesman: "We're doing a dirty job. We are cleaning up the savings and loan mess.")

But critics say the RTC made an even bigger mess by immediately losing track of \$7 billion of assets and then paying a private subcontractor \$25 million for three months of work to help find them. Critics say the subcontractors' work was so flawed it did not even begin to explain where the billions went.

(Rep. Vento, RTC Task Force: "This is a structure where they asked the Congress for a lot of flexibility, they received it and they screwed up.")

(Shields: "We feel if we're given a true and fair hearing to look at specifically what we did and where we are today, it will be determined that we did a good job.")

Today the RTC had another subcontractor begin an audit of the \$25 million contract, hoping it will prove the RTC did nothing wrong. (ABC-8)

RECESSION/CHILDREN

CBS's Mark Phillips reports on the forgotten victims of the recession -- the nation's children. Harsh economic times have turned these into less-than-carefree days for the nation's children, and a lot of what is bothering parents has rubbed off. Fully eighty percent of the kids at Manchester, N.H.'s Beech Street School are on state-funded breakfast and lunch programs. A lot of the kids are too preoccupied with recession-related problems at home to concentrate at school.

(Nancy Tessier, principal, Beech Street School: "...More kids are coming in hurt -- physically hurt and emotionally hurt.")

Even in prosperous Montgomery Co., MD, the kids are feeling it. At Walter Johnson High School in white collar suburbia, layoffs and the real estate collapse have forced talk of cancelling winter sports, teacher furloughs and cutting the number of classes.

(Kevin Dwyer, school psychologist, Walter Johnson: "We've had an increase in the number of kids who are coming to us with problems, stresses at home, discipline problems.")

The recession has burst the bubble of youthful optimism. (CBS-18)

CONGRESS/CONSTITUENTS

NBC's Andrea Mitchell reports on constituents' reactions to congressmen during this recession-plagued recess. The message is the same from one end of the country to another: People want more leadership from Washington.

(Nancy Russel, Waterford, CT: "I think people are feeling in a really pessimistic attitude because they feel as though no one is trying to make things better for them.")

In Waterford, Rep. Gejdenson got an earful at the mall.

(TV coverage: Constituents speaking with Gejdenson)

The area has suffered a double-whammy: the recession and defense cuts. Whom to blame? Their congressman.

(Gregory Massad, Waterford: "And he's not representing us. He's not bringing the bacon home in terms of defense money, in terms of jobs for our people.")

Incumbents are scared. Given the public's mood, they should be.

(NBC-10)

CUOMO/'92

Rather: CBS News was told by two important sources tonight that Gov. Cuomo will announce his decision to run or not to run for president of the United States in the 10-day period beginning this Wednesday. Part of it has to do with the filing deadlines in various primaries. Cuomo's top advisers are reported to be telling Democratic state leaders that they expect the decision to be yes, and that the early stages of the campaign apparatus are being put into place. Cuomo isn't talking. (CBS-5)

ABORTION/PA

Donaldson reports the state of Pennsylvania today asked the Supreme Court to rule quickly on its new, very strict abortion law. The law's opponents have already asked for the same thing. A Supreme Court ruling which could overturn Roe v. Wade could come by next summer, in the middle of the presidential campaign. (ABC-6)

DRUGS/JUDICIARY

CBS's Scott Pelley reports on a move by some Texas judges to try to cut their drug caseload -- in Harris County, for instance, 22 judges will hear 40,000 drug cases this year -- by making crack cocaine possession a misdemeanor rather than a felony.

(Judge Norman Lanford: "Less than one gram should be treated as a Class A misdemeanor.")

In other words, treat it just like marijuana, with a maximum sentence of one year. The judges say that would free the felony courts and prisons for killers, rapists and big-time dealers. Judges who support the idea are now asking the Texas legislature to change the law. (CBS-8)

FREEDOM OF SPEECH

Brokaw reports the latest NBC News/Wall Street Journal Poll shows 68 percent oppose a constitutional amendment that would selectively ban speech on college campuses. But almost a third, 27 percent, favored such a ban.

NBC's Lisa Myers reports on the controversy over protected and unprotected speech on campus. Rutgers University has a controversial hate speech code which prohibits verbal insults, defamation or harassment. More than 200 colleges and universities have adopted similar codes. Some professors maintain that racial slurs directed toward a student are the same as fighting words, which are not protected by the First Amendment. Some also say speech codes are necessary to maintain a proper learning environment on increasingly diverse campuses. But many see this crusade for civility as censorship.

(President Bush, at University of Michigan commencement, 5/3/91: "And ironically, on the 200th anniversary of our Bill of Rights, we find free speech under assault throughout the United States, including on some college campuses.")

The ACLU is challenging codes around the U.S. Critics say there is evidence the codes have a chilling effect on the free exchange of ideas, and some students say they are afraid to discuss race, gender or sexual orientation for fear of being punished. (NBC-6)

-End of B-Section-

EDITORIALS/COLUMNISTS

SKINNER APPOINTMENT

Sam Skinner To The Rescue -- "...In choosing Sam Skinner, President Bush tapped a man with admirable personal skills and considerable political smarts -- just what he needs.... Skinner takes the helm of a ship that seems to spring a new leak each day.... His appointment is good for Bush and good for Illinois.... He should help shore up Bush's standing, particularly in his relations with Congress.... Skinner doesn't let philosophical differences stand in the way of getting something done. More conservative than some might expect, he hasn't worn his politics on his sleeve."

(Chicago Tribune, 12/8)

The Start Of Something Big? -- "...The important question at the White House isn't, 'Who's chief of staff?' but 'What's the policy?' ...The hope, of course, is that a new, moderate style at the staff level will lead to real work getting done. Real work means working with Congress to pass domestic legislation that will make a difference.... Perhaps Skinner can introduce a businesslike tone to the White House approach to domestic issues.... Perhaps he can move the Administration out of its Dr. No veto mode and into the realm of the domestically pragmatic." (Los Angeles Times, 12/9)

Bush The Pragmatist -- "President Bush's selection of Sam Skinner as chief of staff and Robert Mosbacher as general chairman of his re-election campaign displays an instinctive turn to pragmatism in times of trouble.... The right-wing crazies, the 'movement' conservatives and the social-agenda zealots in the GOP will not be happy. But to keep too many from straying to Pat Buchanan or the despicable David Duke, the President should be able to trot out Dan Quayle.... Bush's decision to put the White House staff and his re-election campaign into the hands of Republicans of his own stamp is both daring and commendable. For too long he's sullied his Presidency by catering to right-wing elements whose trust he could never win and should never have sought." (Baltimore Sun, 12/6)

Samuel Skinner A Good Choice -- "...Skinner was one of the people whose ideas were sometimes treated harshly by the Sununu true-believers in the White House. As Transportation Secretary and the overseer of a major new transportation bill, Skinner helped deliver the Bush Administration one of its few substantive victories on domestic policy. During the process, however, some of his suggestions were given short shrift by the White House staff -- a fact that seems to have left him with no great bitterness or resentment. We can think of no more encouraging shift at the White House than from a posture of inappropriate defensiveness to one of openness and creativity." (Dallas Times-Herald, 12/7)

New Chief Of Staff Should Recall Baker Models -- "...[Skinner] must first provide the impetus for some domestic initiatives, such as a Bush health care plan. Second, he must advance the Administration's efforts to improve its communications strategy.... The White House needs to inform the public about the domestic programs it already has implemented." (Dallas Morning News, 12/6)

-End of News Summary-

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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

"IT'S A GO"

From the right, he's Pat Buchanan -- and he announces at noon today in NH. (#5)

AS THE RUMOR MILL GRINDS ON
 Cuomo calls budget summit, says he can't run in "good conscience" without plan. (#2)

AR-based anti-Clinton group returns to NH radio. (#3)

Jackson keeps role alive, calls all to come before Rainbow on 1/24-25. (#4)

"TEDDY THE BULLY" (#16)

N.Y. POST reports Kennedy offered hush money to quash story of Patrick's rehab stint.

CHALLENGERS RISE IN WEST

Bad back can't keep Considine from taking on Wirth. (#12)

Lowry opts for Adams primary over Gov. race. (#14)

NO DAY AT THE BEACH

Hard-hitting REGARDIE'S expose details futile efforts by former Robb aides to induce apology for VA Beach lifestyle, strategies to throw press off trail by slopping Wilder. (#17)

SPOTLIGHT

FROM SIDESHOW
 TO CENTER RING

The early filing of PA AG Preate's (R) request for Supreme Court review of PA's abortion law -- only partially touched by a federal appeals court -- has paved the way for a ruling on Roe v. Wade before Election Day. (#9)

A nominating battle at the Houston convention had never been realistic, even with two new primary opponents for Pres. Bush. But with pro-choice GOPers already planning to argue the convention floor walk with its plank in August, a prime-time abortion debate could stretch a few stitches in the Big Tent.

HISTORIC NOTE: The Court heard the Webster case in its Spring term and handed down its decision in July.

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

"I thought my gift to America would be that I get out."
 -- Roger Ailes, "Today," NBC, 12/10.

THE APN BULLETIN BOARD

FROM TODAY'S GREENWIRE: OUTSIDE magazine grades the green groups. How did your favorite (or least favorite) do?
FROM TODAY'S DAILY REPORT CARD: Boston and Phila. private groups and individuals are pitching in on child readiness.
FROM TODAY'S ABORTION REPORT: PA AG files request with Sup. Ct. to review appeals court ruling -- '92 implications.

HOTLINE/DATABASE INDEX

WHITE HOUSE '92

TSONGAS: Gets an earful from eco-worried Granite staters. (#1)
CUOMO: Calls special budget summit. (#2)
CLINTON: Anti-Clinton group to the airwaves again. (#3)
DEM ROUND-UP: Wilder, Kerrey, Harkin, Rainbow, Poll. (#4)
BUCHANAN: "It's a go" today at noon. (#5)
DUKE: Battling the states before the war on Bush. (#6)
BUSH ROUND-UP: \$\$, Ailess, job openings, Sununu, goulash. (#7)
PRESIDENTIAL CANDIDATE MEDIA MARKET SCHEDULES (#8)

FOCUS

SUPREME COURT: "Pre-election ruling likely on abortion." (#9)

REDISTRICTING

CENSUS: Mosbacher ordered to appear before House subcmte. (#10)
STATE UPDATE: CA, MD, VA. (#11)

SENATE WATCH

CO: Considine announces Wirth challenge. (#12)
NY: D'Amato trails most would-be opponents. (#13)
WA: Lowry poses as party savior. (#14)
WI: Moody makes mo' money. (#15)

HOTSPOTS

MA: Son's admission leads to "bully" charge. (#16)
VA: Regardie's brings Robb back into spotlight. (#17)

POLL UPDATE

AMERICANS TALK ISSUES: World seen more on track than U.S. (#18)

TV MONITOR (#19)

???? OVERLOOKED ????

Past three FL straw ballot winners have been southerners: Jimmy Carter in both '76 and '80; favorite-son Reuben Askew in '84.

*1 TSONGAS: GETS AN EARFUL FROM WORRIED GRANITE STATERS

"Citizens concerned about the economy and the lack of jobs took center stage at a gathering" with Tsongas at the Adult Learning Center in Nashua (Annis, Manchester UNION LEADER). "Tsongas refrained from his usual speech and instead listened to the approximately 75 people present ... discuss their concerns." He "said something needs to be done so the children of today have something to look forward to than debt and homelessness." Instead of a middle-class tax cut, Tsongas called for investment in infrastructure and manufacturing: "What the middle class wants is economic security. ... The only unemployed person the President has met is John Sununu" (12/10). Tsongas said that his position at the top of the Cuomo-less field in NH in the recent KRC poll "shows how politically potent the economy has become. ... Now people have a sense that winning the nomination means something" (John Milne, BOSTON GLOBE, 12/10).

SCHOOLING: At a BOSTON HERALD Forum, Tsongas said the "greatest threat to American business is the deterioration of the nation's education system": "If you take the view that we'll get to education when the economics improve, you don't get it" (Marie Gendron, HERALD). He "accused the Bush administration of hurting the competitiveness of American companies by slashing funds for education while boosting funding" for SDI: "The good news is that the Soviets have imploded and within that implosion we can move some money over from defense to education." He said his education plan, "although it could include new taxes, should be embraced by the business community because an investment in education is the only way to bolster the nation's dying manufacturing economy": "There is no such thing as a service economy. It has to service something" (12/10). Tsongas also took a shot at MA Gov. Wm Weld (R) as he "blasted" Weld for "slashing education budgets in the name of budget balancing": "To allow the disintegration of the public school system in this state without guilt and remorse is not pro-business. It's just being an anti-tax ideologue" (HERALD, 12/10).

*2 CUOMO: CALLS SPECIAL BUDGET SUMMIT

"With his presidential prospects hanging in the balance," Cuomo "summoned legislative leaders to Albany for an emergency meeting to try to break a budget stalemate" (Joel Benenson, N.Y. DAILY NEWS). Tonight's meeting was called after Cuomo told a WMAC-radio audience in Albany "that if the current budget talks collapse, he could not 'in good conscience' run for President" (12/10). "Thus just as Mr. Cuomo seemed to be edging toward a formal declaration, he continued to reinforce a rationale for why he could not run" (Kevin Sack, N.Y. TIMES). For Cuomo, "there is a certain logic to all this. [He] says he wants to run but is prevented from doing so by his sense of duty to the state. Realizing that time is growing short, he has decided to make all possible preparations to run an effective campaign if he decides to enter the race." But some longtime Cuomo advisers in Albany believe he "has never had a deep desire to run for President, and does not now." The feel, now, "Cuomo needs an excuse not to run and has found it in the state budget" (12/10). The budget negotiations "continue against a muddled political backdrop that includes" Assembly Speaker Mel Miller's (D) fraud trial (DAILY NEWS, 12/10). If Miller is convicted, the talks "could be thrown

into chaos as a leadership fight develops in the Assembly" (Sack, N.Y. TIMES). One Cuomo adviser: "That would be everything. Talk about a kicker" (12/10).

RATHER REPORTABLE RUMOR: CBS' Dan Rather: "CBS News was told by two important sources tonight that [NY's] governor Mario Cuomo will announce his decision to run or not run for president of the United States, in the ten-day period beginning this Wednesday. Part of that has to do with the filing deadlines in various primaries. Cuomo's top advisers are reported to be telling [Dem] state leaders, that they expect the decision to be yes, and the early stages of a campaign apparatus are being put into place. Cuomo, isn't talking" (12/9). Under headline, "Finally, day of decision for Cuomo seems at hand," CHICAGO TRIBUNE's Steve Daley reports "many party regulars believe the waiting period is about to end -- probably this week. ... Cuomo has heightened anticipation in recent days with reports that his minions are in contact with a host of political professionals" (12/10). CHICAGO SUN-TIMES' Michael Sneed reports, "Cuomo has told his operative he plans to run" in the NH primary. "The latest plan: to make the announcement in 10 days" (12/10).

GAME PLAN: Although Bush just assembled his '92 team last week, "GOP thinkers have been unofficially war-gaming 'Mario scenarios' on the president's behalf for months" (Kasindorf/Page, N.Y. NEWSDAY). Several GOP sources "said they fear Cuomo less than they fear" Clinton, "who is less known, harder for foes to define, with a less-liberal political profile" (12/8).

*3 CLINTON: ANTI-CLINTON GROUP TO THE AIRWAVES AGAIN

The AR-based group, ARIAS, the Alliance for Rebirth of an Independent American Spirit, "has scheduled a second series" of political ads "critical" of Clinton that will air today on NH's largest talk-radio station, WGIR-AM (Rhodes, ARKANSAS DEMOCRAT-GAZETTE). The ads, most of which will run during Clinton's live interview on WGIR, "allege Clinton told the [AR] Legislature in 1989 that in order to appropriate money, they must 'raise and spend.'" ARIAS member Cliff Jackson: "It's astounding to hear that he says his budget-busting program will be paid for by cutting federal spending by 3 percent, since he ignored bipartisan cost-cutting measures in [AR] earlier this year." Clinton has called ARIAS a "front" for the GOP, and Clinton spokesperson Richard Mintz said "it's just the Republicans showing that they are so concerned with Bill Clinton that they have already started running ads against him, period." In Clinton's '89 State of the State, he said, "Unlike our friends in Washington, we cannot write a check that is not funded. We have no option. We either raise and spend or we don't spend." ARIAS had previously taken out ads in the Manchester UNION LEADER in addition to its earlier radio spots (12/10).

ALSO: BOSTON GLOBE's Robert Turner compares the records of the five present or former Govs. in the race -- including Cuomo -- and writes Clinton "has compiled a record of achievement on national issues unmatched by any governor ... in the last decade. ... Cuomo, by contrast, has been an impressive spokesman, the most vocal defender of state and local government against the steady federal retreat. But he has little to point to in the way of progressive solutions to the nation's major problems." Clinton, using the NGA as a "vehicle" gained bipartisan support -- from Govs. Castle (R-DE) on welfare and Campbell (R-SC) on education. "He has helped make the NGA ... a force to be

reckoned with on Capitol Hill. Plenty of Republicans are aware of this performance; some are telling party leaders that they should be prepared for a vigorous fight if Clinton is the ... nominee" (12/10). PHILA. INQUIRER's Kimelman writes, "Clinton's message is one of opportunity and responsibility -- rejiggering government programs to clearly reward work and discourage indolence and irresponsible behavior. ... each passing week seems to bring signs of the emergence of a new politics that combines compassion with a heavy dose of hard-nosed realism" (12/10).

*4 DEM ROUND-UP

More from the BOSTON GLOBE's NH poll: 400 likely Dem primary voters; margin of error +/- 5% (12/9). NOTE: Yesterday's HOTLINE depicted only the "Cuomo In" numbers.

	CUOMO IN	CUOMO OUT
Tsongas	15%	19%
Cuomo	15	--
Clinton	5	5
Kerrey	4	7
Brown	4	6
Wilder	4	4
Harkin	3	3
DK/Ref.	49	54

WILDER: Addressing a group of 100 at the Clayborn-Ball Temple A.M.E. Church in Memphis, Wilder "evoked the memory of [MLK] ... saying he was ready to go to the mountaintop and help fulfill King's dream" (Joan Duffy, Memphis COMMERCIAL APPEAL). Wilder also attended a reception of black elected and community leaders in West Memphis. "Although he appealed to black pride, Wilder said his race should not be a major factor": "I have a dream too. My dream is that these youngsters one day will be called upon to serve -- and when they are called, no matter how they feel moved to serve, that the fact they are African-American won't mean anything at all" (12/9).

KERREY: "Nearly all filming has been completed" for TV ads to run in 1/92 on Boston and NH stations. Kerrey media adviser Joe Rothstein said the ads will begin running 45 days before the 2/18 primary. Rothstein said the ads are likely to be different from the "warm and fuzzy" ads of Kerrey's '88 Senate campaign: "We have to talk about what's on people's minds. And they are worried about what on earth is going to happen to them" (OMAHA WORLD-HERALD, 12/6). Addressing the TX Dem Women's Foundation in Dallas, Kerrey: "Americans want to know the name of the person who is going to present fundamental change on health, and they know it won't be George Bush. The man who was the introducer of voodoo economics has become the witch doctor of American health care" (DALLAS MORNING NEWS, 12/8). Kerrey "has dropped a laid-back image for a stronger, bolder presentation -- at least in his campaign brochure." The old caption, over a picture of Kerrey in a casual shirt, read, "Bob Kerrey would be a great President." The new caption, over a "more serious" photo: "When you see a leader, you know it" (OMAHA WORLD-HERALD, 12/8). U.S. NEWS' Alvin Panoff calls Kerrey's recent lecture to a Harvard literature class "a rare event in this, or perhaps, any political campaign" (12/16 issue).

HARKIN: DES MOINES REGISTER's David Yepsen writes, "Even if you disagree" with Harkin, "you have to concede" he is showing courage as he puts his "ideological beliefs to the test." Harkin is "one of the leading" Dem contenders and while "his campaign has it's flaws, they are being corrected. It's not cheerleading

to say he could capture the big prize" (12/9). N.Y. TIMES' Elizabeth Kolbert, in a profile, writes while other Dem contenders "may wring their hands over the party's recent agonies; Senator Harkin would rather dwell on happier times." Harkin's party is the party of "grand old" Dems from FDR to JFK. Harkin also "frequently extols the virtue of straight talk, and insists that even if the voters do not agree with him, at least they will know his positions on the issues." Harkin: "One thing about me, you won't have to wonder where I stand." For "many" Dems, Harkin's proposals and his "pugnacious style are inspiring after years of party-sanctioned timidity" (12/10).

RAINBOW COALITION: Jesse Jackson's political organization, the National Rainbow Coalition, invited all candidates to meet individually with the group in DC on 1/24-25. "Jackson said the organization wanted candidates to answer specific questions on health care, welfare reform and D.C. statehood. He said the interviewing process 'would not necessarily lead to an endorsement'" (Devroy/Baker, W. POST, 12/10).

*5 BUCHANAN: "IT'S A GO" TODAY AT NOON

He is in NH for his Concord noon announcement today. At a press conference last night he called himself the "leader of the conservative movement" and "put to rest any remaining doubt about his political future": "It's a go" (John DiStaso, Manchester UNION LEADER). He "said he has no delusions about defeating [Bush] in the primary popular vote." But he hopes "to show well enough to be recognized as a winner by the pundits, national media and, ultimately, the public": "We hope to run the kind of race in [NH], where outside experts, professionals, politicians, and others say it was a winning race." Buchanan, responding to questions, said his economic recovery program is "based on a long-term program of tax cuts and deregulation." He also said he "supports a Palestinian homeland, although the U.S. 'should not force the issue,'" He added, "Pat Buchanan is no enemy of the State of Israel." He called Duke "an 'imposter,' not a true conservative, and said Bush 'exercised moral leadership' by saying that Duke is not a member" of the GOP. On Sununu: "John Sununu is a conservative, yes. And I like the guy. I'm one of the few people in Washington who will say that openly" (12/10). He also said his candidacy is "intended neither as a means of pushing the president to the right nor as simply a protest. Rather ... he is intent on deposing Bush": "If I force him to walk back, even if I am defeated, he will be much stronger" (Pertman, BOSTON GLOBE, 12/10). "More than anything so far, proof that [Buchanan] has generated excitement on the campaign trail could be found in the size of the media pack that's suddenly following him" as his "informal press briefing" was "swamped by dozens of journalists, photographers, and camera crews" (UNION LEADER, 12/10). WASH. TIMES' Ralph Hallow writes, "What makes this a bad dream come true for Mr. Bush is that everything that could go wrong for him seems to have done so, and Mr. Buchanan looks determined to take advantage of it. Worst of all from [Bush's] perspective, it is virtually too late for any economic recovery program he may sponsor to have a beneficial effect" by 11/5 (12/10).

NH REAX: NH Gov. Judd Gregg (R), who is leading Bush's NH drive: "I guess for those of us who have been tested on the issue of conservatism -- which I think I have been -- I am very comfortable with George Bush. ... To the extent [Buchanan] gets votes, I think they are going to come from people who have been

through three years of a tough economy and are frustrated and concerned, I don't know what the 'X' factor is of people who just want to say 'Hey, I want to make a point'" (Tibbetts, UNION LEADER, 12/10). Sen. Bob Smith (R), also on board with Bush: "If George Bush ignores Pat Buchanan and does not address the issues that Buchanan is bringing up in sharp focus, he runs the risk (of losing next November) as well" (12/10). UNION LEADER editorial calls for the NH GOP to remain neutral in the primary: "That's what the Buchanan candidacy is all about. It seeks to determine whether all rank-and-file Republicans want to play the pragmatist, amoral game of blind allegiance to a leader who has lost whatever ideological bearings he had and therefore no longer leads" (12/10).

TV: ABC's Mike von Fremd: "Buchanan may be the latest, but he is by no means the only Republican presidential candidate trying to gather support as a strong protectionist. David Duke threw his hat into the ring with [his] warning for the Japanese" (12/10). GOP strategist Eddie Mahe: "George Bush will win [NH]. Will he win it enough for the press to declare it a victory? That's an open question" (CNN, 12/9). NBC's Lisa Myers: "Buchanan's candidacy is not about beating [Bush] ... he doesn't have a prayer of doing that. This is designed to embarrass the president and force him to the right." NH state sen. Gordon Humphrey: "There's blood in the streets ... I don't care who runs as an opponent ... that person could get as much as 40% of the vote ... that would be highly embarrassing to the president." Myers: "But Buchanan also has some political baggage of his own ... most conservatives don't agree with his vehement opposition to the Gulf War ... he repeatedly been accused of hostility toward Jews ... and he once called AIDS nature's 'retribution' against homosexuals." Dem consultant Bob Squier: "This is a guy who has the right theme to run against George Bush." GOP consultant Roger Ailes: "He'll get 20% of the vote in [NH], the press will make it bigger than it is ... that the president is embarrassed and in the final analysis, conservative voters in this country will not vote for Senator Harkin or Governor Cuomo" ("Today", NBC, 12/10).

*6 DUKE: BATTLING THE STATES BEFORE THE WAR ON BUSH

"Despite the tough talk" by state GOP leaders about Duke's bid, "the reality is that little can be done to keep [him] off most state ballots" (Bill Nichols, USA TODAY). Common among state's he's eying: "They either allow crossover voting, have large minority populations or award delegates based on percentage of the total vote." Also, in all these states, "either a filing fee, petitions from registered voters or an invitation from the [Sec/State] will get you on the ballot." A problem exists in FL -- "a key state where Duke hopes his newly discovered anti-immigration views will resonate" -- where a "three-person panel" -- the state chair and House and Senate leaders -- decide who's on the ballot. "If all three vote against a candidate -- as is currently expected with Duke -- he's out, with no form of recourse." In NY, one needs 1,250 signed petitions "from each [CD] a candidate wants to run." Duke spokesperson Nicole Berthonnaud "says only Florida is a potential problem": "In New York, you don't have to run in every [CD]. Everywhere else looks good." But MI GOP voted this past weekend "to change the threshold for winning delegates from 5% of the primary vote to 33.3%, again in an attempt to deny Duke," and MD GOP is "ready to launch a frontal assault." AL GOP chair Spencer Bachus "denies"

reports the GOP "will change its primary to winner-take-all to thwart Duke: "The people of Alabama don't need a lot of help rejecting David Duke" (12/10).

*7 BUSH ROUND-UP

FUND-RAISING SUCCESS: It's "bullish" (Devroy/Baker, WASH. POST). Bush deputy finance chair Margaret Alexander said Bush-Quayle has thus far raised \$9.1 million, "nearly \$1 million more than its goal for now and 28 percent of its overall goal. ... comfortably ahead of the Reagan-Bush reelection receipts at a comparable time" (12/10).

REPLACING ROGER: ADVERTISING AGE's Steve Colford reports on Roger Ailes' announcement that he will leave politics and play no formal role in Bush's '92 campaign (see HOTLINE 12/19). As for how the void may be filled, a "well-informed [GOP] insider": "The campaign might want to take more of a Tuesday Team approach as was used in 1984, when, under Michael Deaver, the Reagan people had a group of advertising execs from Madison Avenue to develop ads. That was mostly an advertising group, not political consultants, and Ailes could work with them ... in a reduced capacity." A consultant close to Ailes "speculated the 1992 Bush ad team could end up as several smaller units, each responsible for different tasks, but all spearheaded by one person or perhaps jointly" by campaign chair Robert Teeter and senior adviser Charles Black. WH media aide Sig Rogich "still may be a contender to be senior media adviser, but [GOP] strategists believe he'll remain in the [WH]. ... Several political insider theorized Mr. Ailes ... might eventually be brought in as an adviser, producing some commercials and providing advice, but without an official portfolio" (12/9 issue).

OTHER JOB OPENINGS: Names listed for the opening at Commerce, to replace Robert Mosbacher, who will be Bush general campaign chair: Ex-Rep. Bill Frenzel (R-MN), Dep. Sec/Treas. John Robson, Export-Import Bank chair John Macomber, insurance exec./AIG chief Maurice Greenberg, Houston businessman/Enron Corp. CEO Kenneth Lay, Amb. to Italy Peter Secchia (HOUSTON CHRONICLE, 12/7; L.A. TIMES, 12/6). Names listed for the opening at Transportation, to succeed Sam Skinner: Commodity Futures Trading Commission chair Wendy Gramm, Rep. John Paul Hammerschmidt (R-AR), WH personnel dir. Constance Horner, outgoing LA Gov. Buddy Roemer, dep. Sec/Trans. James Busey (H. CHRONICLE, 12/7). HOTLINE sources add ex-Rep./Seaway Admin. Stan Parris and WH aide Andy Card to the list.

SUNUNU TESTS NEW PIT BULL ROLE: In Salt Lake City, outgoing WH CoS John Sununu "previewed President Bush's 1992 re-election campaign theme" before the GOP Govs. Assn and "took aim" at Dem Congressional leaders, personally "accusing them of causing job losses and economic distress for their own political advantage." Sununu, whose resignation takes effect in 5 days: "It is the Foley-Mitchell dance of tuck it to America first that is causing the problems that we see today. ... It is Tom Foley and George Mitchell that are responsible on a purely political basis for the failure of constructive growth, constructive job-creating legislation to pass. And every man and woman in this country that has lost a job today ought to know that they would have had a better chance of keeping that job if George Mitchell and Tom Foley had any interest in the expansion of the American economy." Sec/Treas. Brady and Sen. Orrin Hatch (R-UT) "echoed" Sununu. Hatch: "The strategy of the [Dem] leadership ... is to only pass economic reforms that they are certain the president will have to

veto so they can say he just doesn't care" (George Archibald, WASH. TIMES, 12/10). Sununu's remarks, in his first speech since announcing his resignation, "were in sharp contrast to the tone" at the WH where press sec. Marlin Fitzwater said the admin. plans sessions with Dem and GOP leaders to forge an economic growth plan. "Bush, too, has toned down his blame-Congress rhetoric in recent speeches" (Ed Walsh, W. POST, 12/10).

GOULASH: Under headline, "Bush Is Hardly on the Ropes," C.S. MONITOR's Godfrey Sperling writes, "I've seen those polls that show Bush in a steep decline ... There's even one poll which indicates that the Democrats could unseat the president with almost anyone. That's an amusing thought. It's also ridiculous. ... My own reading as the year ends is that while the president isn't sitting pretty, he still is sitting pretty well" (12/10). Columnist Ben Wattenberg urges Bush to do as Buchanan does: "think like a columnist. ... Good columnists are forced to figure out what they believe. ... We know the columns of Buchanan; the president would be doing better if he did some mental heavy lifting and gave us the columns of Bush" (N.Y. POST, 12/10).

*8 PRESIDENTIAL CANDIDATE MEDIA MARKET SCHEDULES

	12/10	12/11	12/12	12/13	12/14
BROWN 213/449-1992 J. Costello	Des Moine IA	U of IA	Cincy Cleveland OH	Youngstwn OH DC	DC
CLINTON 501/372-1992 R. Mintz	NYC	Chicag. IL FL DC	DC Dallas, TX AR	AR Birm., AL Atlnta, GA	FL State Conv., Orlando
HARKIN 301/656-1992 L. Voles	DC	Beaumont, Houston TX	Austin Dallas, TX	DC FL	FL State Conv., Orlando
KERREY 202/393-4110 S. Jarding	DC NH	Durham, Epsom, Concrd, NH	Nashua, Milfrd, NH M.I.T.	DC Orlando, FL	FL State Conv., DC
TSONGAS 617/422-0100 A. Freed	Lowell, MA off	Boston, MA	DC Amer. U., NEA	Orlando, Winter Pk FL	FL State Conv., Orlando
WILDER 703/218-5000 E. Easter	VA	VA	VA	VA	VA
CUOMO	Albany	NAACP Dinner NYC	Albany	Albany	Albany
BUCHANAN 703/790-9292 G. Mueller	Concrd, NH Annoncmnt Manchestr	Bedford Manch. NH	Manch. Concord NH		

AGRAN: 12/10-12 -- NH
 LAUGHLIN: 12/10-13 -- NH
 NADER: 12/10 -- NH
 DUKE: Not travelling until 1/92

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*9 SUPREME COURT: "PREELECTION RULING LIKELY ON ABORTION"

PA AG Ernie Preate (R) "paved the way" for a possible U.S. Supreme Court ruling "on the legality of abortion before next year's presidential election." Preate, who filed the request for review six weeks before the state's deadline, asked the high court to review an October federal appeals court decision which upheld most parts of PA's law but struck down a spousal notification measure. Lawyers from both sides agreed the quick filing by PA "greatly increases the chance that the court could hear arguments on the case in April and decide before the November election whether to overturn Roe." Last month, pro-choice activists filed a separate appeal asking the Supreme Ct. to review other parts of the PA law and make a final decision on holding of Roe v. Wade. In the petition filed by mail 12/9, Casey vs. Planned Parenthood of Southeastern Pennsylvania, the state said it was "imperative that the court end the current uncertainty in the law of abortion." While both the PA and pro-choice appeals seek a quick ruling, they appeal to two different portions of the law. Preate also filed a separate brief which asked the Supreme Ct. to deny the pro-choice appeal of the provisions upheld by the appeals court including a 24-hour waiting period and required informed and parental consent (David Savage, L.A. TIMES/PHILA. INQUIRER, 12/10). Although the Supreme Ct. could choose not to hear the case, "the justices have generally agreed to review challenges to abortion laws that have come to them since 1973." According to W. POST's Ruth Marcus, "On the issue of timing, the court has ample space on its calendar to hear the case this term. However, any single justice could move to defer consideration of the case for long enough that it could spill over into the next term, which begins in October 1992." NARAL's Kate Michelman said if the court delayed hearing the PA case, it "could only be interpreted as 'a calculated political move'" (12/10). "The Bush Administration will now be faced with the prospect of repeating its earlier pleas to the court ... to overturn Roe" (Lyle Denniston, Balto. SUN, 12/10).

===== REDISTRICTING =====

*10 CENSUS: MOSBACHER ORDERED TO APPEAR BEFORE HOUSE SUBCMTE

A House subcmte ordered Sec/Commerce Robert Mosbacher to appear at a hearing "unless he complies with a demand to turn over" the post-enumeration figures. Rep. Tom Sawyer (D-OH), chair of the House's census and population subcmte, told Mosbacher in a letter "a subpoena issued by the panel last month required [him] to explain his reasons for not releasing the figures" and that "no official, high or low, is above the law." Mosbacher's original deadline was 12/9, but Sawyer moved it to 12/10. Commerce officials, who contend the release of the numbers would be "irresponsible" and could "disrupt" remapping nationwide, "would not say whether Mosbacher would appear or whether they would comply with the subpoena" (Vobejda, W. POST, 12/7). Sawyer insists the subcmte wants the information as part of its "oversight responsibilities" (Glasser, ROLL CALL, 12/9).

*11 STATE UPDATE

CA (+7): Even after the remap, registered CA Dems "will outnumber Republicans" in 33 of 52 CDs. But the GOP is "gleeful about the new [CDs] because the [Dems] have never been able to turn out their voters in the proportions the Republicans have (Philip Trounstone, SAN JOSE MERCURY NEWS). "Under the new plan, GOP registration is 40 percent or greater" in 27 CDs -- "giving the [GOP] their best chance in decades to reclaim power. Dems outregister GOPers in CA, 49-39%, but if Dems "continue as they have in the past, failing to register and get out the vote, then it's likely the GOP will capture at least" 24 CDs. Dem Reps. currently hold a 26-19 lead (12/8). State Sen. Wadie Deddeh (D) said "he definitely will run for Congress next year." Deddeh is eyeing the new 50th, which contains most of his current Senate CD. The 50th -- "drawn to include as many ethnic minorities as possible" -- is 41% Hispanic, 14% black and 14% Asian. Registered Dems outnumber GOPers 53-35. Deddeh will face ex-Rep. Jim Bates (D) and possibly San Diego Councilman Bob Filner (D) and community activist Greg Akili (D). Incumbent Rep. Duke Cunningham (R-50), "who defeated Bates last year, is expected to run" in a GOP-leaning CD, "rather than try to hold on to the 50th" (Gerry Braun, S.D. UNION, 12/4). Ex-Rep. Bobbi Fiedler (R), and Assemblymen Tom McClintock (R) and Burt Margolin (D) have expressed interest in the new 24th, which is split 45-45 among Dems and GOPers (Mike Comeaux, L.A. DAILY NEWS, 12/5). Also, Rep. Glenn Anderson (D-32) announced his retirement 12/8.

MD (0): Rep. Tom McMillen (D-04) "expressed irritation" with attempts to discourage him from running in the new majority-black CD: "I get a little tired of people saying what you can or can't do. ... We should just go out there and compete. That's what the political marketplace is about." McMillen has been "criticized" by many MD Dems and Prince George's Co. officials, "because he has expressed interest" in the 4th, which many feel should be represented by a black. McMillen, who is also looking at the 1st CD, held by Rep. Wayne Gilchrest (R), said he will not announce his decision before the 12/3 federal court hearing on a suit by Anne Arundel officials challenging the remap (Richard Tapscott, W. POST, 12/7). House Dem Caucus chair Steny Hoyer (D-05) announced his bid for election in a "radically reshaped district that is more Republican, more conservative and less familiar than his current Prince George's County turf" (Kent

Jenkins, W. POST, 12/10).

VA (+1): The General Assembly "barely approved" Gov. Doug Wilder's (D) redistricting revisions after GOPers and some Dems "objected to the new lines." The plan passed the House of Delegates 42-41, and the Senate 22-16; creating the first black-majority CD, the 3rd with 64% black population; adding a new seat in No. VA and pairing two incumbent GOPers. The new plan "strengthens" the re-election chances of Reps. Jim Moran (D-08) and Frank Wolf (R-10). The new CD, the 11th, covers central Fairfax Co. and eastern PW Co. The redrawn 7th CD pits GOP reps. George Allen (R-07) and Thomas Bliley (R-03) against each other (Jean McNair, AP/FAIRFAX JOURNAL, 12/10). The plan is subject to review by the DoJ and "even GOP critics said they don't expect" the DoJ to "reject the plan as discriminatory because it provides for" the "solid majority black" 3rd CD. Allen "denounced the plan" as "nefarious skulduggery" and "vicious partisan cartography." He has said he "will not" challenge Bliley in a primary and has now "narrowed his options" to running in the 6th CD against Rep. Jim Olin (D-06) or running for gov. in '93 (John Harris, WASH. POST, 12/10). Allen, who met with GOP leaders this weekend, "said it might be a month before he makes a decision" (Dwayne Yancey, ROANOKE TIMES & WORLD-NEWS, 12/9). Allen's interest in the 6th was "welcomed" by many GOP activists, but others "were less excited." Atty Bob Goodlatte: "It would be difficult for him to come in and get the nomination without a substantial groundswell of support, and I don't sense it's there yet." Other possible GOPers: Atty Wick Anderson, businessman Don Duncan, August Co. Del. Emmett Hanger and ex-Rockingham Co. Del. Phoebe Orebaugh. Incumbent Rep. Jim Olin (D-06) is expected to decide in mid-December whether he'll seek another term (Yancey, TIMES & WORLD-NEWS, 12/7). Wilder campaign treasurer Mark Warner has decided not to run for the new 11th (W. POST, 12/7). George Mason law prof. Henry Butler (R), the son of ex-Rep. Caldwell Butler (R-06), has filed candidacy papers for the new 11th CD (Jim Clardy, WASH. TIMES, 12/10).

===== SENATE WATCH =====

*12 COLORADO: CONSIDINE ANNOUNCES WIRTH CHALLENGE

"Proclaiming himself healthy after a Labor Day horseback riding accident," state Sen. Terry Considine (R) "ended weeks of speculation" by announcing he will challenge Sen. Tim Wirth (D) next year (Thaddeus Herrick, ROCKY MOUNTAIN NEWS). Considine said he wouldn't make a formal announcement until next month, but wanted to make his intentions clear: "I didn't want to be Hamlet or Mario Cuomo or coy." He "promised a reformist, anti-tax campaign that would hold Wirth 'accountable in a respectable way'" (12/6). "Many party activists have been waiting for Considine's decision, believing him to be stronger than the other two announced GOP candidates" -- state Rep. Ken Chlouber and ex-Amb. Sam Zakhem. Considine "said no less than President Bush urged him to run" and noted 850 GOP leaders statewide have pledged their support" (Gavin, DENVER POST, 12/6). ROCKY MOUNTAIN NEWS editorial header: "Finally, a clash of equals": Wirth v. Considine will be "one of the most spirited, intelligent, and closely fought contests in years." It's possible that the contest "could be sidetracked into a ... slugging match over abortion. That would be unfortunate, in part because abortion is an area" in which the Senate "plays but a minor role, but also because neither man's views ... probably represent" the CO mainstream. "Most Coloradans neither oppose most abortions, as does Considine, nor are such vehement advocates of expansive abortion rights as Wirth" (12/9).

*13 NEW YORK: D'AMATO TRAILS MOST WOULD-BE OPPONENTS

A N.Y. OBSERVER poll, conducted in "mid-November," by Johnson Survey Research, surveyed 500 NYC adults; margin of error +/- 5%. Tested: Sen. Al D'Amato (R) and Dems: AG Bob Abrams, NYC Comptroller Liz Holtzman, ex-Rep. Geraldine Ferraro and Rep. Bob Mrazek (D-03).

JOB PERFORMANCE	FAV / UNFAV	JEWISH	HAS SEN. D'AMATO MISUSED HIS POSITION?		
D'Amato	38% / 53%	42% / 52%	Yes	39%	
			No	32	
FAVORABILITY	FAV / UNFAV	ID	Not Sure	29	
Abrams	43% / 10%	67%			
Holtzman	44 / 19	77	DEM PRIMARY	ALL	JEWS
Ferraro	47 / 28	92	Abrams	24%	49%
Mrazek	3 / 2	10	Holtzman	21	16
			Ferraro	27	16
			Mrazek	2	0
HYPOTHETICAL GENERAL MATCH-UPS					
	ALL	WOMEN	JEWS		
Holtzman	51%	55%	53%	HYPOTHETICAL MATCH-UPS	
D'Amato	34	26	40	ALL	JEWS
				Abrams	48% 64%
Ferraro	46%	53%	48%	D'Amato	31 24
D'Amato	37	28	41	D'Amato	37% --
				Mrazek	27 --

In the Dem primary, Ferraro receives 30% of the woman vote while Holtzman nets 21%. Marist Inst. of Public Opinion dir. Lee Miringoff warns Dems "will need more" than just an anti-D'Amato message: "People are going to have to run for things, not simply against things. A Democrat would be poorly advised to simply

strike an anybody-but-D'Amato theme. The restlessness among voters indicates that they want something other than a negative campaign" (Golway, 12/9 issue).

***14 WASHINGTON: LOWRY POSES AS PARTY SAVIOR**

"Calling himself the only candidate who could prevent both of the state's seats from falling into [GOP] hands," ex-Rep. Mike Lowry said "he'll likely" challenge Sen. Brock Adams (D) (Peter Cellingham, TACOMA MORNING NEWS TRIBUNE). Lowry said Greenberg-Lake polls show "I am the only potential candidate who can defeat this threat ... I think I should do it. I want to do it." In a letter to 2,000 supporters and past contributors, Lowry said he's no longer interested in running for governor. And while he said he won't make a formal decision to run for the Senate until 1/92, he left little doubt he'll enter the race." Other candidates: State Sen. Patty Murray (D), Rep. Rod Chandler (R-08), state Sen. Leo Thorsness (R) and Land Commis. Brian Boyle (R). King Co. Exec. Tim Hill (R) is expected to enter next month (12/6).

ADAMS FAMILY PLAYS MUSICAL CHAIRS: Adams, "weathering a week filled with political setbacks, is replacing the unofficial manager of his wobbly re-election campaign," Dave Gallik. They "tried to put it in a positive light," saying Gallik has been such an "effective state director that they decided to keep him in that job instead." But Gallik said "rumors in [Dem] circles about problems with the campaign caused him to decide that": "If I, in my capacity as campaign manager, have become an issue, then I want to remove that issue." On a positive note, the Sierra Club endorsed Adams (Modie, SEATTLE POST-INTELLIGENCER, 12/7). **NEWS TRIBUNE editorial:** "[Adams] is dead meat. [He] has had three years to shake Kari Tupper's unproven accusations of sexual assault but the lingering whiff of that scandal still clings to him. And for all the heavily publicized pork-barreling and grandstanding he's engaged in of late, Adams has never come across as a particularly distinguished" Senator (12/6).

***15 WISCONSIN: MOODY MAKES MO' MONEY**

Rep. Jim Moody (D-05) "raised more than \$100,000" for his campaign to unseat Sen. Robert Kasten (R) (Ken Lamke, MILWAUKEE SENTINEL). A fund-raiser, held at the home of Milwaukee attys James and Gilda Shellow, attracted "more than 400 people" at \$250/couple. Dep. manager Marge Beil "called it an incredible amount of money to be raised for an event held in a private home without a featured national figure as a speaker": "It did not happen overnight. Jim Moody himself made personal phone calls and sent personal letters." While there has been "speculation" Moody or businessman Joseph Checota (D) "may drop out" of the race "before the [7/14/92] deadline for becoming an official candidate," state Sen. Russ Feingold (D) is "generally believed to be in the race to stay" (12/7).

*16 MASSACHUSETTS: SON'S ADMISSION LEADS TO "BULLY" CHARGE

After 24-year-old son RI state Rep. Patrick Kennedy (D) admitted that he sought treatment in a NH substance abuse clinic six years ago during a high school spring break, "it was revealed that his father," Sen. Ted Kennedy (D), "tried to quash the story. Patrick's rehab buddy said the senator tried to buy his silence." N.Y. POST front-page screamer: "Teddy the Bully." Murray Weiss reports in a "POST exclusive": "A cursing Ted Kennedy tried to bully and even bribe a young man who bared the drug-rehab secrets of the senator's son." Robert Remy, a carpenter, "told The Post yesterday that Ted Kennedy called him a 'little s---' and offered him money to retract statements to the press about Patrick's 1986 treatment." Patrick: "As a teen-ager I started down the wrong path in dealing with the pressures of growing up." Kennedy family members "initially denied the drug-abuse report. But Patrick ... came clean yesterday and admitted he underwent rehab" (12/10).

*17 VIRGINIA: REGARDIE'S BRINGS ROBB BACK INTO SPOTLIGHT

Brian Kelly & Alicia Mundy write in this month's issue of REGARDIE'S, a Washington, DC, business magazine, that "the published allegations" about Sen. Charles Robb (D) "including the supposed affair with former Miss Virginia Tai Collins, are but a tiny part of his problem; that his advisers couldn't get the truth out of him and were forced to investigate his activities on their own; that they were shocked to discover the extent of his questionable conduct, which they believe includes well over a dozen encounters with young women; that they engaged in an aggressive effort to hush up his behavior, sometimes at Robb's direction, and that in so doing they may have broken the law and certainly compounded their boss's problem." Three aides, Robb CoS David McCloud, press sec. Steve Johnson and DSCC pol. dir. Bobby Watson, resigned in 7/91 and now face possible indictment for possession of an illegal wiretap. Following a 8/88 Norfolk VIRGINIAN-PILOT report concerning 10 Robb friends involved in a large cocaine bust, McCloud went on the "offensive. ... Either on his own initiative or on Robb's orders, McCloud became a one-man clean-up crew. ... However tough McCloud was playing outside the office, inside he counseled another strategy." He prepared a memo 9/19/88 advising Robb to apologize in a speech to the Richmond Bar Assn. McCloud "wrote that it was time to come clean on the drug issue. ... he pleaded with Robb to get the problem behind him because 'most voters do not believe your story,' referring to Robb's artfully worded version that he never saw coke at the [VA Beach] parties." Robb never gave the speech. Sources report a Fall '90 meeting between the three and Robb consultant Bob Squier to discuss "damage control and how to distract the press from Virginia Beach. ... Squier and McCloud suggested an attack" on Gov. Douglas Wilder (D). There existed a 10/88 wiretap recording of Wilder saying of Robb, "He's finished." They decided "that they'd come up with a strategy to make Wilder the headliner." Squier, noting "politicians rarely tell their staffs the truth," also suggested someone go to VA Beach to explore Robb's doings. In mid-11/90, Watson returned to report there were "so many smoking guns they'd need a fire extinguisher. ... Watson brought back leads that the three followed up to conclude that there had been more than 100 parties

and at least a dozen sexual encounters." For example, there was a woman Watson described as a "coke whore" -- 17 years old when she met the 43-year old then-Gov. Robb -- who "had a coke habit that could support a small asian nation." To prep Robb for a W. POST interview, Johnson prepared a memo on Watson's findings, "described by one law enforcement officer as 'explosive.'" While the POST killed the Robb story in late 12/91, NBC's "Expose" picked up the story. "The tape took on a new meaning. ... The theory of the tape strategy was that its release would be devastating to Wilder, and in the right circumstances could show him to be a liar." The theory backfired as Robb was forced to acknowledge the existence of the illegal wiretap, and the aides were forced to resign (12/91-1/92 issue).

ROBB REACTION: Robb, in a letter to REGARDIE'S, said it was "despicable" to "exploit raw staff data to further tarnish my reputation and add to the pain my family has already suffered." He also complained of a "relationship" between the reporter and an ex-staffer (12/91-1/91 issue). Robb spokesmen called the piece "simply a recitation of scurrilous rumors that are now more than four years cold." Robb did say "that the idea of him trying to deflect criticism from him by attacking Wilder is 'absurd on its face'" (W. POST, 12/8). Robb state dir. Chris Bridge called it "Geraldo disease" (RICHMOND TIMES-DISPATCH, 12/8).

THE EXILED AIDES: TIMES-DISPATCH's Mike Allen cites a "well-placed source" saying that Johnson, who is married with three children, dated Alicia Mundy. Johnson: "I am disconcerted that a statement from the office of a man I worked for have, had -- please put that in the past tense -- great respect for -- let's just make it 'respect' -- would clearly be trying to suggest otherwise." Johnson said the article "takes considerable 'literary license' and includes scenes that never occurred." On the '88 McCloud memo, Johnson said, "I believe this thing exists." Johnson is writing a book about Robb to be published next year (12/8). Johnson added "that he had no part in helping REGARDIE'S prepare the article": "I'm saving all my stuff for my own book" (Norfolk VIRGINIAN-PILOT, 12/8). REGARDIE'S editor Brian Kelly calls Robb's "allegation" concerning Johnson and Mundy "just another example of Robb raising side issues." But ROLL CALL's Simpson/Winnecker write, "It doesn't take a genius to conclude the aides may have helped Mundy and Kelly" (12/9 issue).

POOL COVERAGE? W. POST's Roberts/Baker detail the Robb family's new "dazzling swimming pool" with a retractable roof and "water-jet fountain" (12/10).

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

*18 AMERICANS TALK ISSUES: WORLD SEEN MORE ON TRACK THAN U.S.
1,000 adults surveyed 11/25-12/2 by GOP pollster Fred Steeper and Dem pollster Stan Greenberg; margin of error +/- 3% (ATI release, 12/9).

THE COUNTRY	NOW	6/91	3/91	THE WORLD	NOW
Right direction	24%	40%	56%	Right direction	46%
Wrong track	68	53	36	Wrong track	43
DK/ref.	8	7	9	DK/ref.	9

EMERGING SOVIET REPUBLICS (asked of 500; +/- 4.5%)

Very serious threat	4%	No threat at all	33%
Serious threat	16	Don't know	4
Minor threat	43		

CHOOSE ONE

The cold war is over; the U.S. won	42%
The cold war is over; Japan won	24
Other (vol.)	23
Don't know	10

U.S. military build-up of '80s speeded decline of communism	46%
U.S. military build-up of '80s prolonged rule of communism	38
Other (vol.)	7
Don't know	8

PRESIDENTIAL CAMPAIGN

Sample divided four ways. Each question asked of 250; +/- 6.3%.

BUSH V. DEM NOMINEE
(no other information)

Bush	39%
Dem nominee	27
Won't vote	10
DK/Ref.	24

BUSH V. DEM WHO SAYS IT'S
TIME TO COOPERATE AMONG
NATIONS TO SOLVE GLOBAL
ENVIRO PROBLEMS SUCH AS
TOXIC WASTE, ACID RAIN
AND GLOBAL WARMING

Bush	38%
Dem nominee	42
Won't vote	11
DK/Ref.	9

BUSH V. DEM WHO SAYS IT'S TIME
FOR A NEW WORLD ORDER WITH MUCH
GREATER COOPERATION AMONG NATIONS
ON STOPPING AGGRESSIVE DICTATORS,
WORLD ENVIRO POLLUTION, SPREAD
OF NUCLEAR WEAPONS

Bush	41%
Dem nominee	37
Won't vote	8
DK/Ref.	14

BUSH V. DEM WHO SAYS IT'S
TIME FOR AMERICA TO TEND
TO PROBLEMS AT HOME, INCL
EDUCATION, HEALTH CARE,
TAX RELIEF FOR MIDDLE
CLASS.

Bush	31%
Dem nominee	54
Won't vote	4
DK/Ref.	11

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ITOR =====

*19 THIS MORNING: ABC's "GMA" hosted Soviet journalist Vladimir Pozner and Yeltsin aide Andrei Fedorov on the Soviet break-up. NBC's "Today" hosted Gorbechev spokesman Aleksandr Likhotal and Carnegie Endowments' Dimitri Simes on the Soviet break-up, Maj. Robin Higgins, widow of slain hostage William Higgins, and GOP strategist Roger Ailes and Dem strategist Bob Squier on Bush and '92. "CBS This Morning" hosted Maj. Higgins. "FOX Morning News" hosted NEWSWEEK'S Howard Fineman on Buchanan and '92, Smith Corona CEO Lee Thompson and Made In the USA Foundation's Joel Joseph on marketing American products, and Rep. Les Aspin (D-WI) on the Soviet break-up (12/10).

A.M. QUOTABLES: Ailes on why he is getting out of politics: "I have been in it 25 years ... and I just decided not to do the campaign this year. ... I think that now that I'm out, of course, nobody will ever do a negative commercial ever again." Squier on Bush's team: "That campaign is beginning to look like a campaign of a bunch of suits ... not a bunch of people with serious political experience, but ... when George Bush gets in trouble again [Ailes] will be back in." Ailes: "The president's going to win by 58-62%, and the Democrats are going to form their firing squad in a circle as they usually do." Squier, interrupting: "But we're going to shoot outward this time" ("Today", NBC, 12/10).

LAST NIGHT: All nets led with the Soviet break-up. PBS' "MacNeil/Lehrer" interviewed U.S. amb to the Soviet Union Robert Strauss. CNN's "Crossfire" hosted Princeton's Stephen Cohen and Harvard's Marshall Goldman on the Soviet Union, and "Larry King Live" interviewed USC law prof/ex-Dukakis manager Susan Estrich, atty Alex Siegal, rape victim Raleigh Mayer, and NEWSWEEK's David Kaplan on the Palm Beach rape trial (12/9).

PRESIDENT BUSH AND AIDS: ABC's Sam Donaldson: "The subject of AIDS was also on President Bush's agenda today as he continues to focus on domestic affairs. Mr. Bush's own Commission on AIDS has accused him of failing to exercise leadership in combatting the disease. Today, Mr. Bush tried to change that image, with a briefing from all of the top people in government concerned with AIDS." ABC's George Strait: "Mr. Bush had never attended a meeting with his AIDS commissioners before. He responded to their criticism by asking what more he could do, to help convince people to avoid the kind of behavior that puts them at risk for getting AIDS. ... Mr. Bush made no commitments. He seemed more interested in getting assurances about what he said were questions about the safety of the blood supply. ... The President got high marks today for making such a visible expression of concern about AIDS. But AIDS activists say they want to see if that concern goes beyond this one highly publicized meeting" (12/9).

DEMS '92: ABC's Sam Donaldson: "When it comes to the American health care system as a whole, the [Dems] are trying to show that they're the ones trying hardest to find a cure. A number of [Dem] Senators are traveling around the country this week, holding hearings on how to reform the system" (12/9). NBC's Tom Brokaw: "The fragile health care system in America, now, is threatening to blow up in the politicians' faces next election year. [Dems] are trying to get out front on the issue with a tour of five cities to discuss the problem, and it started

today in Tampa [FL]." NBC's Robert Mizell: "[Dem] leader George Mitchell [D-ME] and three other Senators heard from individuals, including Ray Ross, whose health insurance could not pay \$3,000 of the \$10,000 he was charged for a broken thumb. ... President Bush has said he'll announce his plans for health care reform in the State of the Union address next month. The [Dem] majority in Congress expects to pass a bill guaranteeing health care for all Americans in plenty of time to make the difference between the [Dem] and [GOPer] proposals a major issue in next November's election" (12/9).

CONGRESS: NBC's Andrea Mitchell: "You can go home again. But if you're a Congressman like [CA Dem] Vic Fazio, don't expect the welcome wagon. [Video of a person telling Fazio to represent the "middle class"]. The message is the same, from one end of the country to the other. People want more leadership from Congress" (12/9).

LOSING GROUND: ABC's Sam Donaldson: "The state of [PA] today asked the Supreme Court to rule quickly on its new, very strict abortion law. The law's opponents have already asked for the same thing. A Supreme Court ruling which could overturn the Roe v. Wade decision that legalized abortion, could come by next summer, right in the middle of next year's presidential campaign" (12/9).

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

"Will he win it enough for the press to declare it a victory?
That's an open question."

-- GOP consultant Eddie Mahe on Bush and NH, CNN, 12/9

#

~~CLASSIFIED~~

12/10/91

UNCLASSIFIED UPON
REMOVAL OF CLASSIFIED
ATTACHMENTS

DW 3/24/14

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Memo	From James A. Baker, III to President Bush (1 pp.)	12/10/91	(b)(1)	C

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files ;
Subseries:
WHORM Cat.:
File Location: Tuesday, December 10, 1991

Date Closed: 3/24/2014	OA/ID Number: 90639-005
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

Aboard Air Force One



DATE:

12-10

TIME:

4^{pm} - 4⁰⁵

Incoming / outgoing

WITH:

Gov. Norm Borgerter

SUBJECT:

Utal

Followed the script

FOLLOW UP

None

Your telephone call to Governor Norm Bangerter (R) provides you with the opportunity to thank all of the participants for accepting your challenge to adopt AMERICA 2000 to reach the National Education Goals by the year 2000. Your conversation with Governor Norm Bangerter will be heard by all those present at the ceremony.

TOPICS OF
DISCUSSION:

1. Norm (Bangerter), I wanted to call with congratulations to you and all those assembled in Salt Lake City today. UTAH 2000 is a terrific contribution to the momentum of education reform.
2. Lamar tells me that there is great enthusiasm all across Utah to take up our AMERICA 2000 challenge. He should know, he's been on the road all across the country as AMERICA 2000 states and communities begin their work.
3. How's the day going?
4. Today, Utah is showing the country how education reform can happen at the local level, school by school, community by community.
5. Your AMERICA 2000 effort offers a way for the whole community to pull together to help all students learn. I'm impressed with what you are doing and urge everyone in Utah to join this great crusade for our kids.
6. Norm, would you do me one more favor?
7. Give Lamar a homework assignment. Tell him that his boss wants regular reports on how all of your UTAH 2000 communities are doing. We want to be right there with you as we all work toward reaching our six National Education Goals by the year 2000.
8. Good luck and godspeed.

PARTICIPANTS:

Secretary Alexander
Governor Norm Bangerter (R)
Jay Taggart, State Superintendent of Public
Instruction (D)
Approximately 500 invited Utah
administrators, teachers, students,
parents, business and community leaders,
and local and state officials.

Tuesday, December 10, 1991

Chicago Board of Trade Tour of
Trading Floor and Roundtable
Chicago Mercantile Exchange/
Address to business leaders

P Billy Goat Tavern
Illinois Farm Bureau State
Convention

America 2000 call to Salt Lake
City, Utah

P Quayle/Teeter/Skinner meeting
in residence

William Draper call

Republican Leaders Task Force on
Jobs and Economic Growth
Survey overview of Lubbock
(politics)

David Grimes condolence re: Mom
Sue Humphries re: recovery of
Gulf wounded son that GB visited
Betty Walker/encouragement letter
Hugh Gregg/Bill Loeb/thanks support

ONG: Jack Steel

CONTACT PERSON AND

TELEPHONE NUMBER: Governor Norm Bangerter (R).
(801) 363-2252

DATE OF SUBMISSION: Monday, December 9, 1991.

MEDIA COVERAGE: Still photo.

ACTION:

4:15 PM 20 DEC

Presidential Phone Calls

Aboard Air Force One



DATE: 12-10-91 TIME: 5⁰³ PM
incoming / outgoing

WITH: Bill Drapeau

SUBJECT: 1) New Spg comm in
2) You're got changes comm up
3) Make appointment to see
you -
4) Going to S. America

FOLLOW UP: RZ/P He will call
next week. I will see
him. Probably wants to talk
Cabinet.

Bush Presidential Library Photocopy

MATERIALS FORWARDED TO THE PRESIDENT
December 10, 1991

ACTION

1. H.J. Res. 372 -- Basketball Centennial Day
2. H.R. 3531 -- Patent and Trademark Office Authorization Act of 1991
3. H.J. Res. 356 -- Bicentennial of the District of Columbia Month
4. H.R. 848 -- Little Bighorn Battlefield National Monument
5. H. J. Res. 300 -- National Trauma Awareness Month
6. H.R. 990 -- Appropriation Authorization for Monocacy National Battlefield, Maryland
7. S.J. Res 198 -- Federal Civilian Employees Recognition Day
8. H.R. 690 - Mary McLeod Bethune Council House National Historic Site
9. H.R. 3387 -- Appropriation Authorization for the Pennsylvania Avenue Development Corporation
10. S. 2050 -- Health Education Assistance Loan Program Amendment
11. H.R. 3169 -- Amend the Commemorative Works Act
12. H.R. 3881 -- Expansion of Stones River National Battlefield, Tennessee
13. H.R. 3327 -- Designation of a Chief Minority Affairs Officer in the Department of Veterans Affairs
14. H.R. 3245 -- Chattahoochee National Forest Protection Act of 1991
15. S. 159 -- For the Relief of Maria Erica Bartski
16. H.R. 3604 -- Greer Spring Acquisition and Protection Act
17. Citations for Hostage Event

CLASSIFIED**INFORMATION**

1. Letters from Congressman Toby Roth, Congressman Bill Emerson, and Senator John Danforth
2. Congressional Ball Gate List
3. Deland memo with article on environment
4. Madigan memo on Uruguay Round
5. Block schedule

REMARKS

1. Chicago Board of Trade -- half sheets
2. Chicago Mercantile Exchange Auditorium -- half sheets
3. Illinois Farm Bureau -- reading copy
4. Departure of Prime Minister Mitsotakis
5. Christmas Tree Lighting
6. Fundraising Luncheon for Senator Murkowski

SCHEDULE

1. And trip notebook for Tuesday, 12/10
2. And accompanying briefing papers for 12/11

HOUSE REPUBLICAN LEADER'S TASK FORCE ON JOBS AND ECONOMIC GROWTH
REP. MICKEY EDWARDS, CHAIRMAN

THE PRESIDENT HAS SEEN *gk*
BD

DEFICIT NEUTRAL PACKAGE for
JOBS, SAVINGS, INVESTMENT, and HOMEOWNERSHIP
(As Adopted by the House Republican Conference, November 22, 1991)

- Increase Social Security Earnings Limit.
- HR 2550 LEAP apprenticeship provision.
- Repeal Excise Tax on Boats, Aircraft, etc.
- Middle Income Savings Plan. Interest income exclusion on savings.
- IRA Plus. Allow tax free withdrawal at maturity.
- Expensing Capital Investments for Small Business. Increase from current \$10,000.
- Capital Gains Rate Differential. As advanced by the Administration.
- 50% Capital Gains Exclusion on Venture Capital Investments. Taxpayer invests in new ventures and holds for 5 years.
- Prospective Indexing of Capital Gains.
- ✓ ◦ Partial Repeal of Passive Loss Rules.
- No-Penalty on IRA withdrawal for 1st-time home buyer.
- Treat Loss on Sale of Principal Home as a Capital Loss.

CONTACT: CRAIG VEITH
202/225-2132

THE ECONOMIC GROWTH, INVESTMENT AND JOB CREATION ACT

1. Capital Gains Tax Cut

- a. Applies to individuals.
- b. Tax cut phased in over three years.
 - i. First year
30% exclusion of taxable income from the sale of any capital asset that has been held for more than one year.
 - ii. Second year
30% exclusion of the taxable income from the sale of any capital asset held more than two years;

20% exclusion of the taxable income from the sale of any asset held more than one year.
 - iii. Third year and thereafter
30% exclusion of the taxable income from the sale of any capital asset held more than three years.

20% exclusion on taxable income from the sale of assets held at least two years.

10% exclusion on taxable income from the sale of assets held at least one year.

2. Prospective Indexing of Capital Gains

Adjust value of assets to take into account the effects of inflation.

3. No-penalty First-time Home Buyer IRA

Individuals could withdraw IRA funds, pay the tax, not pay the early withdrawal penalty, and apply the funds to purchase of a home.

Grandparents and parents could withdraw funds and use them for a child or grandchild's cost of purchasing a first home.

4. Expensing Capital Investments

Increase from \$10,000 to \$18,200, the existing tax provision (Section 179 of the Tax Code) that allows expensing of certain depreciable business assets, such as machinery and other equipment for small and medium-size businesses, by increasing the limit.

HOUSE REPUBLICAN ECONOMIC GROWTH PROPOSAL/2

5. Social Security Earning Limitation

Increase, over a 5 year period, the income amount an individual can earn before the earnings limit penalty kicks in.

6. Reform of the Passive Loss Rules

For individuals engaged in the real property business (meaning, individuals who spend at least 50% of their working time and at least 500 hours per year in real property activities), rental real property operations, undertakings and activities shall be treated in the same manner as non-rental operations, undertakings and activities.

7. Leading Employers into Apprentices Programs (LEAP) (HR 2550)

Businesses are encouraged to contribute funds to a newly created class of non-profit organization that will work with businesses and local education organizations, school boards and community colleges to create work-based learning opportunities for students. Businesses would receive a tax credit for donations to the Apprenticeship Education Organizations, in addition to the regular deduction for a charitable contribution.

Students would work part-time in a field related to a course of study and receive the lowest minimum wage or training wage. Students in high school, community college, or graduate equivalency programs would be eligible to participate.

8. IRAs with No Tax on Principle and Build-up at Withdrawal (IRA Plus)

An individual would be allowed to establish and make non-deductible contributions to Individual Retirement Plus Accounts. Receipt of funds from a Retirement Plus Account would be tax-free when distributed to the individual after age 59-1/2 or when disabled (or to the individual's beneficiary) provided the funds had been held in the IRA Plus Account for at least 5 years.

Through 1996, individuals could make a total of \$2,000 in contributions to regular IRAs or to Retirement Plus Accounts. Contributions to Retirement Plus Accounts could be made regardless of income or other retirement plan coverage. After

HOUSE REPUBLICAN ECONOMIC GROWTH PROPOSAL/3

8. IRA Plus cont.

1996, individuals could make an additional \$1,000 of contributions to Retirement Plus Accounts (for a total of \$3,000). The proposal would also allow rollover of funds from IRAs into Retirement Plus Accounts before July 1, 1993, income tax on the original IRA contribution would be imposed over a four-year period.

9. Treat the loss on the sale of a principal residence as a capital loss

Current law unfairly taxes gains on the sale of a taxpayer's house but denies any deduction for losses. This proposal treats losses on the sale of a principal residence like all other deductible capital losses.

10. Middle Income Savings Plan

Taxpayers with an adjusted gross income up to \$50,000 will be able to exclude from taxation up to \$225 of interest earned on savings for an individual, and up to \$450 of interest earned on savings by a married couple in 1992 and 1993.

11. Repeal Excise Tax

Repeal the excise tax on boats, aircraft, passenger vehicles, etc.

12. 50% capital gains exclusion on venture capital investments

Encourages entrepreneurial investment by excluding from taxation 50 percent of the profit from any sale of an investment held more than five years.

November 22, 1991
For more information:
Congressman Mickey Edwards
202/225-2132

Southwest Research Associates

P.O. BOX 721 • LUBBOCK, TEXAS 79408 • (806) 745-2507

R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

SURVEY OVERVIEW

Southwest Research Associates is pleased to present the results of this survey. This report contains the results of a telephone survey of 400 randomly regenerated telephone numbers from Lubbock County. Responses to the survey were gathered on December 3, through December 5, 1991. As is always the case, responses to a random sample may result in a sample that is slightly at variance with the actual ethnic population of the total audience. For instance, in this case the number of respondents who identify themselves as Hispanic, while closely representative of the U. S. Hispanic population as a whole, is somewhat under-represented of that population. Effect upon the results is minimal in this case, since a larger than necessary sample was taken. Sample size should result in an accuracy level of plus or minus 5% with a confidence level of 95 percent.

CC:
Sam Skinner (FYI)
Ron Kaufman (FYI)

From the desk of
George Bush

TO R Kauffman
fyi

cc: Sam Skinner
daily/political

Southwest Research Associates

P.O. BOX 721 • LUBBOCK, TEXAS 79408 • (806) 745-2507

SURVEY OVERVIEW

R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

As political jockeying for 1992's General Election begins, President Bush at least holds the higher ground in terms of his anticipated battles with Congress.

Despite the fact that the President's "good to excellent" approval rating on the South Plains has fallen to 59 percent he is still far better off than the Congress, whose own "good to excellent" rating stands at only 17 percent.

The general attitude among respondents in this month's Southwest Research Associates survey, indicates that Congress' "fair to poor" rating stands at 77 percent. Comparatively, the President's stands at 39 percent.

Still, the President clearly has problems too. Thirty-five percent of those polled say they would now give the President a lower approval rating than they would have given him at the end of the Gulf War, while nine percent say they would rate him higher now than then. Fifty-two percent of those polled say they have not changed their own approval rating one way or the other.

Of those who say they have altered their view of the way the President handles his job, 63 percent say it is because Bush "has changed his position on issues". Twenty-one percent say it is because they have changed their own position on issues. Too, the President fares better in one key indicator of political importance going into an election year. Those polled say they believe the President still comes closer than Congress to addressing the problems they are concerned with. Thirty-six percent say the President comes closest to addressing their problems. Twenty-four percent say Congress comes closest. But interestingly, a higher percentage (27%) say neither the Congress or the President comes close to addressing the problems they are concerned with.

The state of the economy in general loomed front and center among the issues people want the President and Congress to address when congress reconvenes. Forty-three percent of the respondents gave that as their number one concern. Far down the list was education, at 12 percent, health care at 12 percent and taxes at 13 percent. On the subject of proposals to stimulate the economy however, increased government spending found little favor among respondents. When asked if the government should spend more but tax less, only 8 percent said yes. When asked if the government should spend more and tax more, only 6 percent said yes. When asked if the government should spend less and tax less an overwhelming 75 percent said yes.

Perhaps one of the reasons for that response can be found in another question posed in the survey. Nearly 60 percent of all respondents say they feel their combined state, federal and local tax burden is now a greater strain on their family budget than ever. Thirty-five percent say they feel the burden is "about the same as always."

On the subject of health care, South Plains respondents generally said adequate health care was readily available but that it cost too much. And they felt the federal government had a role to play in regulating the cost and availability of that care. Here however the spread was not so great. Forty-nine percent said the government had a role, while 38 percent said they role would be better performed by the private sector.

Ken Towery

Southwest Research Associates

P.O. BOX 721 • LUBBOCK, TEXAS 79408 • (806) 745-2507

R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

A PUBLIC OPINION SURVEY
LUBBOCK COUNTY, TEXAS
December 3 - 5, 1991

As you know, the Congress has adjourned for this year and will return in January. We would like to get your views on some of the issues the Congress and the President addressed this year, as well as some issues they did not act on. We would also like to get your views on the overall performance of both the Congress and the President.

- 1) First the Congress: Looking back over the entire year, would you now give this Congress a rating of ...

Excellent	1%
Good	16%
Fair	49%
Poor	28%
No opinion	6%

- 2) Next, the President. Looking back over this entire year, would you now give the President a rating of ...

Excellent	13%
Good	46%
Fair	27%
Poor	12%
No opinion	2%

- 3) Who do you think came closest to addressing the problems you personally are concerned with, the Congress or the President?

Congress	24%
President	36%
Neither	27%
No opinion	13%

Southwest Research Associates

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R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

A PUBLIC OPINION SURVEY Page - 2

- 4) Could you tell us what it is that you, personally, would like to see addressed by the Congress and the President when the next session begins? Is it the economy in general, is it taxes, is it health care, is it the way Congress is being run, is it education, crime, drugs, civil rights? Can you give us one or more areas where you think it is extremely important that action be taken. If you have more than one subject, could you give us your order of importance? (WRITE IN THE NUMBER OF RANKING OF IMPORTANCE ex. 1,2,3...8)

- 1) The economy _____
- 2) Taxes _____
- 3) Health Care _____
- 4) Way Congress is run _____
- 5) Education _____
- 6) Crime _____
- 7) Drugs _____
- 8) Civil rights _____
- 9) Other _____

1 = Most Important

- - - -

8 = Least Important

	1	2	3	4	5	6	7	8
Economy	43%	11%	6%	1%	1%	1%	.5%	
Taxes	13%	13%	6%	3%	2%	1%	.5%	
Health Care	12%	17%	6%	3%	2%	1%	1%	1%
Way Congress is run	7%	3%	4%	4%	1%	1%	2%	2%
Education	12%	14%	4%	2%	4%	1%	1%	1%
Crime	6%	5%	6%	3%	4%	3%	1%	2%
Drugs	4%	5%	5%	5%	2%	3%	3%	1%
Civil Rights	2%	2%	1%	1%	1%	2%	1%	5%
No Opinion	1%	30%	62%	78%	83%	87%	90%	88%

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A PUBLIC OPINION SURVEY Page - 3

R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

- 5) Thinking of health care for a moment, and thinking first about its availability. Do you feel that adequate health care is readily available for you and your family?

Is available	72%
Is not available	25%
No opinion	3%

- 6) Do you feel health care costs too much, or do you feel the cost is about right?

Cost too much	82%
About right	15%
No opinion	3%

- 7) Do you feel the federal government has a role in regulating the cost and availability of medical services for the general public, or do you feel these functions would be better served by the private sector?

Government has a role	49%
Private sector	38%
No opinion	13%

- 8) Turning now to the economy. The national economy is apparently not rebounding as quickly as some thought would be the case. This had led to a great deal of finger pointing and blame on the part of people in politics and the media. Some say the government should tax more and spend more in and effort to stimulate the economy. Some say the government should spend more, but tax less, thereby increasing the deficit. Others say one problem with the economy is that government already spends too much and taxes too much. What is your own view? Do you believe the overall economy would be helped most if the government ...

Taxed more and spend more	6%
Spend more but taxed less	8%
Taxed less and spend less	75%
No opinion	11%

- 9) One more question concerning taxes and the cost of government in general. Considering your own personal financial situation at this time, do you feel the overall tax burden from all sources, federal, state and local, is now a greater strain on your family budget than it has ever been, is it about the same as it has always been, or is it less of a strain on your budget than in the past?

Greater strain than ever	58%
About the same as always	35%
Less now than in past	3%
No opinion	4%

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A PUBLIC OPINION SURVEY Page - 4

R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

- 10) Now we would like to return to the presidency. As you may know, a number of national polls have indicated that the president's overall approval rating has fallen since the days of the Gulf war. What are your own views on this? Do you think you would now give the President the same approval rating you would have given him one year ago, or do you think your approval rating has gone up or down?

Same approval rating	52%
Has gone up	9%
Has gone down	35%
No opinion	4%

(If respondent answers indicate change up or down, ask following)

- 11) Could you tell us why your own approval rating has changed? Do you think the President has changed his position on issues important to you, or do you think you have changed your own position on those issues?

President has changed position on issues	63%
I have changed position on issues	21%
No opinion	16%

- 12) The President has been in office for about three years. During that time do you feel his position on domestic issues has generally been more conservative than you expected it to be, more liberal than you expected or about what you expected?

More conservative than my own	21%
More liberal than my own	7%
About the same as my own	31%
No opinion	41%

- 13) As you know a number of presidential hopefuls have entered the race for the Democratic nomination. At this early stage of the race who would you like to see win the nomination among those who have announced and unannounced?

Gov. Jerry Brown	1%
Sen. Tom Harkin	1%
Sen. Bob Kerry	2%
Gov. Bill Clinton	7%
Gov. Douglas Wilder	1%
Gov. Mario Cuomo	6%
Fmr. Sen Paul Tsongas	1%
No opinion	81%

Southwest Research Associates

P.O. BOX 721 • LUBBOCK, TEXAS 79408 • (806) 745-2507

A PUBLIC OPINION SURVEY Page - 5

R. K. Towery
Jane Anne Stinnett
Lisa Nowlin

Now a few final questions for statistical purposes

14) What is your age, please?

(READ RESPONSES)

18-24	23%
25-29	13%
30-34	11%
35-39	9%
40-44	8%
45-54	10%
45-64	9%
65-over	17%

15) What do you consider your race or ethnic background black, white, hispanic or what:

Black	3%
White	81%
Hispanic	13%
Asian	1%
Other	2%

16) What is your occupation?

(CHECK ONE THAT
BEST FITS WHAT
THEY TELL YOU)

Retail/Sales	10%
Medical/Nurse	
Dr's	7%
Housewife	9%
Office/Attorneys	
Professionals	12%
Oil & Gas	1%
Food	2%
Farming/Ranching	1%
Teacher	6%
Student	15%
Retired	13%
Unemployed	2%
Other	22%

17) Sex (by observation)

Male	50%
Female	50%

From the desk of
George Bush

David C
Grimes

Bush Presidential Library Photocopy

Bush Library Photocopy
George Bush Handwriting

Document Originally
Attached to
Following Page

Dear Dave -
I just heard that your
mom had passed on. I know it
how you loved her. I know it
must hurt. But I send our
love. Hope you are young

12-10-91

THE PRESIDENT



have a wonderful Christmas
Sincerely,

Cy

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. David C. Grimes
202 South Rockingham Avenue
Los Angeles, California 90049

THE WHITE HOUSE

WASHINGTON

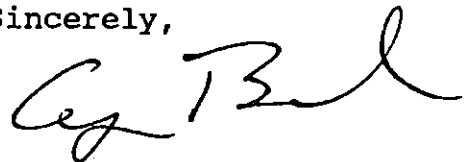
Dear Mrs. Humphries:

Thank you for your letter and for the pictures. I appreciate your keeping me informed of Jay's progress.

I was heartened to hear that Jay has been released from Walter Reed Hospital and allowed to continue his recovery at home. Moreover, I was happy to learn of his plans for the future. He is a fine young man, and I can tell from the pictures -- and from your letter -- that he is progressing well. My prayers are with him for continuing success.

Barbara joins me in sending best wishes to you, to Jay, and to your family for a happy holiday season.

Sincerely,



Mrs. Sue Humphries
11111 MacArthur Boulevard
Potomac, Maryland 20854

*Those wonderful pictures brought tears to my eyes. Jay looks ten times better. I never would have thought this miracle could happen after seeing him 6 months ago. God bless you all
GBJ,*

Nov. 19, 1991

(Receiving Note)

51

Dear President and Mrs. Bush,

It is with heartfelt thanks that I

write this letter to you today on behalf of

my son, my husband and myself. Quotidian

life matters ago & very nearly lost my only

child while he served in the Persian Gulf.

We stopped on a land mine in Northern

Iraq while on a patrol. My husband and

a accompanied him on the heroic flight

from Baghdad, Germany to National

Naval Medical Center on May 9th.

Thanked you then and a again, command

you Mr. President for your kindness and

support in assisting my son in the aftermath

of a battle in Iraq that would come home.

Given a person ask than a personal visit

from you.

A few years' experience says progress

and is anticipated by your continued

interest.

My son has been discharged from Walter

Reed Hospital now and is convalescing at home

supplemented with physical therapy sessions

at Walter Reed three times per week. He is

regularly monitored by the top surgeons

at Bethesda Naval Hospital and is in the

hospitals which correct the vision in the

right eye to 20/20. Regret with us in this

miracle. What got every day for

appearing gay's right and guarding the honor

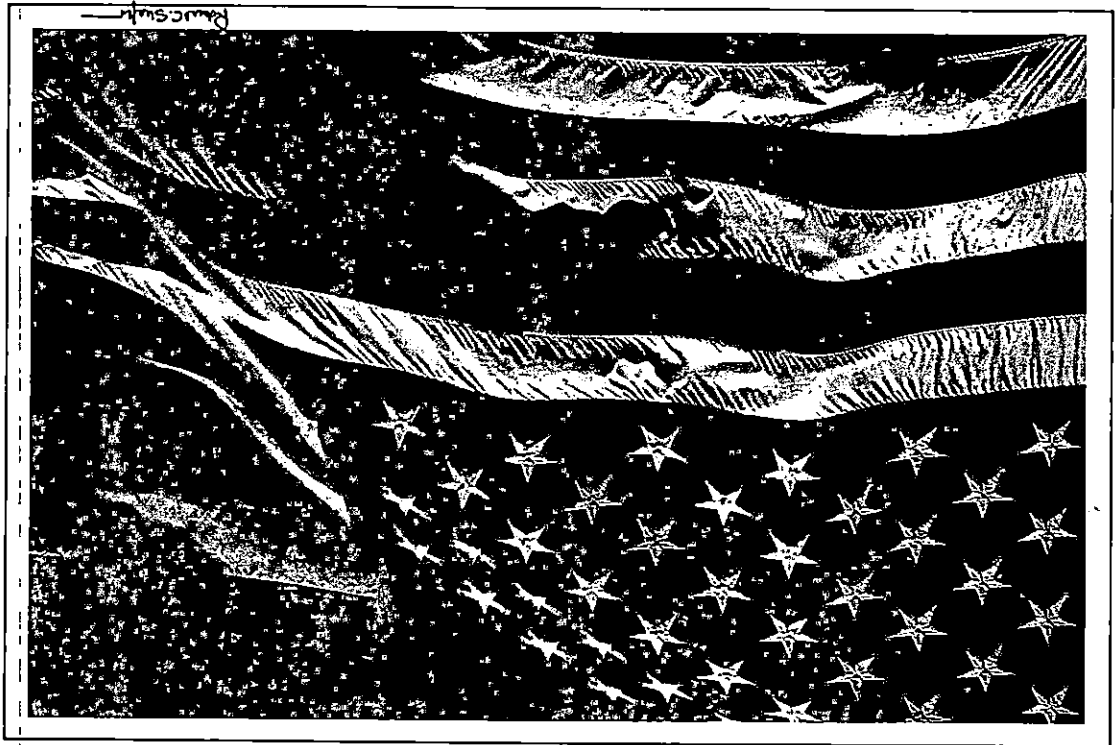
of the outstanding surgeon who is so

completely & miraculously aided in mending

gay's eyes.

Gay's attitude remains positive and the

motivation is excellent. He is learning to



walk on his new prostheses and in December hopes to try skiing in the Colorado Rockies.

Enclosed are two photos of Jay taken Oct. 30, 1991 at Walter Reed Army Hospital Retreat Ceremony. I thought you may want to see the improvement that has occurred over the past six months.

On behalf of my family I again want to thank you & your lovely wife for the kindness, support and interest you have shown my son.

God Bless you Both,
Sincerely,

Sue Humphries

Old Glory
Photograph ©1989 Bob Shafer

Autumn Publishing, Inc.



Vienna, VA

NC48-150



To: Jay Humphreys
With Admiration and Respect to A Heroic
Young Man Who Fought For Country and Then
Fought Hard to Live. We send our kindest Love —
Cp Bud & Barbara Bass

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03a. Note	From George Bush to Betty Walker Re: economic news [redaction of personal information] (1 pp.)	12/10/91	C	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Tuesday, December 10, 1991

Date Closed: 3/24/2014	OA/ID Number: 90639-005
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



THE PRESIDENT

12-10-91

Dear Betty,

I loved that up beat
enthusiastic letter of Dec. 2nd.
The economic news has been
heavy so it was nice
to get a different view.

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mrs. Betty Walker

C

Thanks so much.

We are going to win —
All but to you & Bill

Cy B

Bush Presidential Library Photocopy

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03b. Letter	From Betty Walker to President Bush Re: trip to Arkansas [redaction of personal information] (1 pp.)	12/02/91	C	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Tuesday, December 10, 1991

Date Closed:	3/24/2014	OA/ID Number:	90639-005
FOIA/SYS Case #:	2009-0166-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

P-1 National Security Classified Information [(a)(1) of the PRA]
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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

Betty Walker

C

December 2, 1991

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

Dear George:

The news reports say you are coming to Arkansas!

Several organizations have recently asked me to work with them to get you to come to Northwest Arkansas! At any time! This area is a pocket of prosperity in Arkansas with a consistently low unemployment. New homes are going up everywhere. The people have had it with their Governor. People are anti-Clinton but very pro-JPH! This is BUSH COUNTRY!!!

The four counties asked if you might do a Lincoln Day appearance. The Springdale Chamber of Commerce asked if it would be possible to have you as the Grand Marshal of the Fourth of July in connection with the Rodeo of the Ozarks. Also, the Chamber President said they could have a reunion for the 142nd Field Artillery Reserve Unit in the new Convention Center! Work with me and I'll make you a "Star"!

On the personal side - I am doing well. The weather is crisp and beautiful. Both of our girls will be home for Christmas! On Christmas Eve I fix dinner for a BIG family get together; Christmas Day I prepare a special dinner for our immediate family. (It sounds as if I am a Great Cook! I'm not but the job pays so well. I get to hang my stocking with the rest of the folks!)

It is sad for your family not to be at Kennebunkport for Christmas but being together is most important! We send warmest wishes to you and Barbara and family!

Best personal wishes,

Betty

Betty Walker

Bush Presidential Library Photocopy

GEORGE BUSH

GM99

personal

Sam Skinner
give cc to Kent

Daily
Political

Bush Presidential Library Photocopy

Bush Library Photocopy
George Bush Handwriting

Document Originally
Attached to
Following Page

(Personal)



THE PRESIDENT

Dec. 10, 1991

Dear Hugh —

Yesterday I saw a copy
of the Union Leader; and I
thought *deja vu* — Bill Loeb
is back. Buchanan charges.
It's as if the world's stood

still for 12 years -

Then I thought - I am
very glad Hugh is in my
corner - I know we can
do it right - Thanks so very much
to you and Cary for being willing
to "suit up" yet again.

Move later; but for now, my
profound thanks - *Cary*

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Hugh Gregg
Resources of New Hampshire
Rural Free Delivery Route Five
Gregg Road
Nashua, New Hampshire 03062

cc:
Sam Skinner
Ron Kaufman

SPR,

Betsy and Spike will be ONG 12/17/91.
Arrival/departure TBD. They will go to
reception and Laurie is aware.

Also, Jack Steel will RON 12/10 and 12/11/91.
He will arrive Continental #458 arriving Nat'l at
11:59. WH car will meet him.

He will depart 12/12 on Continental #891 at
2:20pm.

He is included in Congressional Ball on
12/10 and Christmas reception 12/11 and Laurie
is aware.

Thanks,
Peg.
12/4/91

cc: ✓ Patty / Rose (!)
Ushers
BB Scheduling

PP

THE WHITE HOUSE

WASHINGTON

DECEMBER 9, 1991 01 DEC 9 P6:53

RECOMMENDED TELEPHONE CALL

TO: GOVERNOR NORM BANGERTER (R), GOVERNOR OF UTAH

DATE: TUESDAY, DECEMBER 10, 1991

LOCATION: VIA TELEPHONE TO THE LITTLE AMERICA HOTEL,
SALT LAKE CITY, UTAH.

TIME: 4:00 P.M. EST.

RECOMMENDED BY: DAVID DEMAREST
ASSISTANT TO THE PRESIDENT
FOR COMMUNICATIONS

LEIGH ANN METZGER *lam*
SPECIAL ASSISTANT TO THE PRESIDENT
FOR PUBLIC LIAISON

JANE BARNETT *JB* LEONARD
ASSOCIATE DIRECTOR
OFFICE OF PUBIC LIAISON

PURPOSE: For you to congratulate the participants in
the UTAH 2000 kick-off for their dedication
to AMERICA 2000.

To applaud Governor Norm Bangerter (R) for
his efforts to make education reform a
reality in Utah.

To encourage Utah communities to keep you
informed of the progress they make towards
achieving educational excellence.

BACKGROUND: Today Utah will become the 26th state to
officially accept your challenge to launch a
statewide effort to help local communities
reach the National Education Goals by the
year 2000. Approximately 500 administrators,
teachers, students, parents, business and
community leaders, and local and state
officials are gathered at the Little America
Hotel in Salt Lake City, Utah to kick-off
UTAH 2000.

Your telephone call to Governor Norm Bangerter (R) provides you with the opportunity to thank all of the participants for accepting your challenge to adopt AMERICA 2000 to reach the National Education Goals by the year 2000. Your conversation with Governor Norm Bangerter will be heard by all those present at the ceremony.

TOPICS OF
DISCUSSION:

1. Norm (Bangerter), I wanted to call with congratulations to you and all those assembled in Salt Lake City today. UTAH 2000 is a terrific contribution to the momentum of education reform.
2. Lamar tells me that there is great enthusiasm all across Utah to take up our AMERICA 2000 challenge. He should know, he's been on the road all across the country as AMERICA 2000 states and communities begin their work.
3. How's the day going?
4. Today, Utah is showing the country how education reform can happen at the local level, school by school, community by community.
5. Your AMERICA 2000 effort offers a way for the whole community to pull together to help all students learn. I'm impressed with what you are doing and urge everyone in Utah to join this great crusade for our kids.
6. Norm, would you do me one more favor?
7. Give Lamar a homework assignment. Tell him that his boss wants regular reports on how all of your UTAH 2000 communities are doing. We want to be right there with you as we all work toward reaching our six National Education Goals by the year 2000.
8. Good luck and godspeed.

PARTICIPANTS:

Secretary Alexander
Governor Norm Bangerter (R)
Jay Taggart, State Superintendent of Public
Instruction (D)
Approximately 500 invited Utah
administrators, teachers, students,
parents, business and community leaders,
and local and state officials.

CONTACT PERSON AND

TELEPHONE NUMBER: Governor Norm Bangerter (R).
(801) 363-2252

DATE OF SUBMISSION: Monday, December 9, 1991.

MEDIA COVERAGE: Still photo.

ACTION:

THE WHITE HOUSE

Office of the Press Secretary

(Chicago, Illinois)

For Immediate Release

December 10, 1991

REMARKS BY THE PRESIDENT
TO REPRESENTATIVES OF THE CHICAGO BOARD OF TRADE

The Soybean Pit
Chicago Board of Trade
Chicago, Illinois

10:23 A.M. EST

THE PRESIDENT: Thank you, Billy and thank you, Tom. . . Listen, it's a great pleasure to be with all of you. And standing next to me is a guy who most of you know, son of Illinois, Ed Madigan, the Secretary of Agriculture -- (applause) -- doing a great job.

Listen, we wanted to come by and see this great market. And all of you ought to know that, around the world, people are trying as they come out from behind that Iron Curtain to emulate the market here, free trading and a very, very important area. And you are doing more for agriculture and for business, and we are very, very grateful to you.

Let me just say a word. I am not happy, and nor is anybody, with the state of the economy. We want to see it moving. We want to see it growing. And I will gather up the best ideas I can between now and the time that the Congress comes back, try to lay partisan politics aside and get this country moving by a strong growth package that was long overdue. (Applause.)

The current performance of this economy is unacceptable; growth is too slow. But there are some encouraging signs: interest rates are down -- mortgage interest rates, inflation seems to be holding down. And now we've just got to give it a kick and get it started up again. And I'm grateful to all of you for the example you've set, and now I guess we have about six minutes, but I want to see this place spring into action. Maybe I can learn a few new hand gestures.

Thank you all. God bless you, and God bless the United States. (Applause.)

END

10:26 A.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 10, 1991

REMARKS BY THE PRESIDENT
TO THE ILLINOIS FARM BUREAU

The Illinois Farm Bureau
Chicago, Illinois

1:45 P.M. CST

THE PRESIDENT: Thank you, John, and to all the members, thank you. Thank you, John White. Governor Edgar. And to Secretary Madigan, son of Illinois who is doing a superb job as our Secretary of Agriculture. I'm glad he flew out here with us. To Congressman Ewing, who will be flying back with us, I understand, on Air Force One, back to Washington. We've welcomed him to the Congress and proud he's there. To Enid Schlipf, who has been at my side today, and I'm grateful for that -- his counsel. We had a session, a listening session, getting counsel from business people, and it was most appropriate that Misters White and Schlipf were there.

And to all of you ladies and gentlemen of the Illinois Farm Bureau, thank you for that warm reception and for your hospitality. I feel that I've come to the right place. My top priority is to get this country moving faster and more confidently on the path of economic progress.

I've had excellent visits this morning on the trading floors at the Merc and at the Board of Trade. I lost three pounds in the process just kind of working my way through those hand signals. And it was wonderful. And I had the privilege to have both John and Enid, who are leaders of the Farm Bureau, at my side during those sessions and also Billy Goat's -- (laughter) -- I think you guys were up there -- the marvelous burger place here. But speaking of farming, let me give you a little bit of historical trivia that will not send you into euphoria, but I want -- I always try to claim kinship with various states. And my great-grandfather, David Walker, grew up on a farm near Bloomington, Illinois. How about that one? Nobody's ever heard that before. (Applause.)

But anyway, meeting with so many Illinois farmers and agribusiness leaders, I've had a chance to talk face-to-face with some, men and women who are leading the way. You see, agriculture is a perennial export leader, and recently exports have been a tremendous factor, a big factor in our overall economic growth. And here's how important that is: Every billion dollars in agricultural exports means approximately 25,000 American jobs.

American farmers understand how the world works. You know that taking a stand for peace and stability abroad, supporting emerging democracies, developing free and fair international markets will make our national economy much stronger. You know what a determined American involvement in global trade represents to the bottom line: It means higher net farm income.

So first, I really wanted to thank enthusiastically -- give thanks for the Farm Bureau's efforts to keep America a leader in world commerce and world security. I know I speak for several hundred thousand young servicemen and women in saying thank you for

MORE

all your support during Desert Shield and thank you for all your support during Desert Storm. We are very, very grateful.

The Farm Bureau's leadership is vital to our progress for free and fair trade. No mistake about it. You made a big contribution to getting the North American Free Trade talks off and running. You've helped launch our Enterprise for the Americas Initiative for trade and investment throughout the Western Hemisphere. I can assure you, because of your foresight, we can look forward to unprecedented prosperity and economic security for hundreds of millions of North and South Americans -- from the Illinois prairies to the pampas of the Argentine.

Secretary Madigan and Ambassador Carla Hills are working to secure a solid agreement for global trade at the Uruguay Round of the GATT negotiations. A successful GATT negotiation will literally revolutionize world agriculture trade, opening markets and leveling the playing field for American exports. When we achieve this, we will owe an incalculable debt to the Farm Bureau who has always looked ahead and never looked back on this important question of international trade. (Applause.)

And I might say, John, you're quite a contrast, this marvelous organization, to the noisy voices that want to withdraw us into isolationism and protectionism. They say they want to put "America first." You have the common sense to recognize that America is first, and will remain first only if we stay engaged in world markets and involved in world security. And as long as I am President, that's exactly what I intend to do. (Applause.)

American agriculture is productive and competitive because of its strong orientation to free markets. Our agriculture owes much to such fundamentals as advancing productivity, embracing new technologies, moving forward to new frontiers in scientific research.

Rural America is a model of strength on social issues that are vital to our future. Thank God that family and family values remain so important to agricultural America. Farm communities, let's face it, they face many hardships, but they always involve parents in the schools -- and that always produces better students. With programs such as 4-H and FFA -- Future Farmers of America -- rural America takes a leading role in our America 2000 strategy to revolutionize, literally revolutionize our education.

I can't tell you how impressed I am also at how much most farmers know about computers. Not speaking for all of you, I understand, but some of you. But I've had enough trouble just finding the "on" switch on my computer, say nothing of getting the cursor to move where and when I want it to. But anyone who doesn't appreciate the sophistication -- the point is this -- anyone who doesn't appreciate the sophistication of the modern farmer doesn't understand the modern farmer.

Last month, by the way -- maybe some of you all were out there -- but I spoke to 18,000 of our best and brightest kids at the Future Farmers of America Convention in Kansas City. And let me tell you, I can't contain my excitement thinking about the day when those young men and women become the leaders of our country. They were bright and alert and patriotic and forward-looking. And somebody -- parents in this room and across agricultural America -- are doing a wonderful job with these young men and women. (Applause.)

The guy that introduced me was so good, I thought he was getting ready to run against me. (Laughter.) But anyway, you should have heard him. He's a real articulate dude. (Laughter.)

Another concern I know you share with me is the drug problem. The stakes here involve not just the economy, but our deepest social and moral well-being. Wherever I go in this country, I call attention to those who fight the drug war on the front lines. I praise the businessmen and women who keep drugs out of their companies, and the neighborhood youth centers that keep teenagers off the streets. So let me take this opportunity right now to thank hundreds and thousands of Americans who don't get mentioned often enough for their devotion in running the strongest kind of drug-free workplaces. And I'm referring, again, to the moms and the dads and the grandparents who run America's family farms. (Applause.)

Now, I know that sometimes times are tough for America's farmer. And that's why we stand by our commitment to help ease the pain caused by natural disasters. This week I will be signing legislation to provide drought and disaster relief. Many farmers in Illinois and other states suffered unusually severe losses this year and last year. And this legislation will provide much-needed assistance for hard-hit farmers. And I will be delighted to sign it. (Applause.)

Now, I know that the economic downturn is hurting a lot of people in virtually every sector. And I've heard from some tough, optimistic people on my visit just today, but they didn't sugarcoat their message about the pain and the problems the country is going through right now.

You and I know that we've got to do more to get the economy on the move, to get confidence back. And I'm prepared to fight harder than ever for a series of growth initiatives. And when members of Congress go back to work in January, after Christmas, they'll hear from me in no uncertain terms. My growth initiatives will give Americans the freedom and incentive to get higher yields from their efforts. A top priority -- and John referred to this -- is to cut capital gains taxes. I know it's a top priority of the Farm Bureau, too, and I want to express my deep thanks for your outstanding support on this initiative.

Our high taxes on capital -- our high taxes then on capital gains are way out of line with the policies in other successful economies. Germany has no capital gains -- no tax on capital gains on assets held longer than six months. In Japan, an entrepreneur who sells the company that he's built from scratch pays a tax of one percent. A capital gains tax cut will free up the capital that we need for growth. And it will increase the value of land, of labor and capital all at once by reducing the tax on success. And I am going to keep on fighting until we get that done. (Applause.)

Right now, we place entrepreneurs in a lose-lose situation. When they risk money and effort on something that fails, they lose. And when they risk money on a winner, we tax the capital gain and they lose again. We have to put an end to this lose-lose approach to the economy. A capital gains cut will stimulate investment and create jobs in every sector. And quite frankly, it will restore some fundamental fairness to the way we treat farmers and the way we treat home owners.

Capital gains tax relief is but a part of our program. Thanks to leadership from Illinois' own Sam Skinner, our soon-to-be Chief of Staff, I expect soon to sign a transportation bill that creates new jobs while rebuilding our roads and bridges. And I'm working for a research tax credit to help new technologies create more jobs; working for new IRAs to help the first-time home buyer, stimulate that home building market; and for bank reform -- we desperately need comprehensive bank reform to help America compete in the 21st century and to help free up capital right now.

We want our children's future to be worthy of the dreams and sacrifices that built and sustained America as a great nation. Back in 1862, in spite of his preoccupation with the Civil War, our President established back then the U.S. Department of Agriculture. Abraham Lincoln revered the American farmer. He believed deeply and stated eloquently that a strong American agriculture was the key to preserving our nation's independence.

A century and a quarter later, the men and women of Illinois ag are worthy heirs to Lincoln's vision. You and this organization form a vital force for keeping America strong and free. And I am looking forward to seeing some of you, many of you maybe, next month at the American Farm Bureau National Convention out in Kansas City. And I am delighted to be with you today. And I am proud to work with you to help keep this great country of ours growing and thriving. I pledge to you I will do my level best to lead this country to new growth and new opportunity.

May God bless you and may God bless the United States of America. Thank you all very, very much. (Applause.)

END

2:01 P.M. CST

THE WHITE HOUSE

Office of the Press Secretary
(Chicago, Illinois)

For Immediate Release

December 10, 1991

REMARKS BY THE PRESIDENT
TO CHICAGO MERCANTILE EXCHANGE

Chicago Mercantile Exchange
Chicago, Illinois

12:05 P.M. CST

THE PRESIDENT: Thank you all very much. And, Jack, thank you, sir, for that more-than-generous introduction. To Bill Brodsky, my thanks to you, sir, for arranging all of this, coming from Wall Street to Chicago, as you have. I'm delighted to be with you. To Leo -- Leo Melamed -- the Babe Ruth of the Exchange, I want to thank him. (Applause.) And, of course, salute two others with me -- your great Governor, my friend, Jim Edgar -- (applause) -- and Ed Madigan, who is our new -- former Illinois congressman, and now our able Secretary of Agriculture, who is up to his eyeballs in working with us to try to make a successful conclusion to this GATT Round. And he's knocking himself out, crossing the Atlantic Ocean back and forth, but we couldn't have a better Secretary of Agriculture trying to open up these foreign markets to our agricultural products.

Ed, thank you. (Applause.)

And I thought Jim Thompson was going to be with us, but maybe he's not that brave -- a member of the Board of Trade and a lawyer. (Laughter.) But he was here, and I salute him, a longtime friend.

Jack mentioned the visit to the trading floor, and I do want to thank everyone involved in that trip through that melee for their warmth of the reception and the -- I thought it would be pretty hard to match the emotion of last weekend out there in Pearl Harbor, but I'll tell you -- this was a little different. Younger kids, all -- there were a few old guys down there -- (laughter) -- but I'm talking about enthusiasm and the future. And it was a wonderfully inspiring trip through that floor, and I want to thank those of you who were here that participated in that and everybody else responsible for that visit. Thank you very, very much.

It's great to be back here and to have a chance to visit briefly with the leaders of the business community and leaders of this exchange. As you know, we've had a staff change at the White House, a new Chief of Staff coming there. And when John Sununu resigned, I looked to Chicago, I looked to the Windy City for help, for another sound manager, communicator and consummate politician. Well, Mike Ditka was busy with other responsibilities -- (laughter) -- and Sam Skinner, though, rose to the fore, and I think we're going to have a very good operation with your friend and mine, Sam, who did a great job as Secretary of Transportation, now in this new key place as we move into a new year.

I've really enjoyed my visits here to both exchanges today, the Board and then here. I've seen the future. It uses hand signals -- at least for now. (Laughter.) But then, I've also glimpsed at the fact that that's also changing. Speaking of hand signals, I saw a few riding in here. (Laughter.) They have a nice way here of making one feel at home. (Laughter.) No, actually it's been very, very friendly.

MORE

But I really enjoyed the tour downstairs, and I also have been looking forward to this part of the program, here on the upper floor -- the futures market of the future -- I think we really can peek into the next century. Soon, probably sooner than you expect, this area will be as packed and busy as the trading pits below.

The Merc has become a bellweather of the future because it never, ever lost the inventive spirit of its founders. You defied the doomsayers when you pioneered that risk-pool management through the Exchange Trust. You established the first financial futures market, the International Monetary Market. You saw an international marketplace and established overseas offices before most exchanges even thought of setting up domestic branches. And you created Eurodollar Futures a decade ago -- and I know you celebrated its 10th anniversary yesterday, and you should be very, very proud of this world leadership.

In challenging times, you've thrived. And this year, you trimmed expenses to improve efficiency -- and your business grew by more than four percent, I'm told. Through the ups and downs of the business cycle, you've operated without requiring a dime's worth of assistance from the American taxpayer. And you've taken care of your own without losing your momentum for a single minute.

It's great to be here -- I mentioned him earlier -- with Leo Melamed whom, I suppose, you call the father of the future. And now, you all know of his professional accomplishments, but he never left his imagination at the office. As many of you know, he has also written prodigiously. His greatest triumph was the science fiction thriller, *The Tenth Planet*. It's not about Capitol Hill; it is another science fiction thriller.

Sometimes, though, debates on Capitol Hill about the economy sound as if they were about life on another planet. And you know, an economy does not run just on money. An economy lives and breathes on ideas and information.

Entrepreneurs like the men and women who trade in the Merc's pits, the farmers who work the fields by day and the computers by night, arbitrageurs in London and investors the world over -- these people swap ideas, information, dreams and dares, and they fire an economy. Their energy drives our nation forward. They chart the course through the international marketplace.

A government that does not understand the gritty fundamentals of business cannot understand how to help an economy grow. Ten years ago, many of you stood with us as the Reagan-Bush administration took on the old wisdom that government could solve everything, and that business could flourish regardless of what burdens Washington heaped upon it. We cut the taxes and peeled away regulations, restrained spending, promoted free trade. And out of that came the longest peacetime economic expansion in the history of this country. While others may have sat back to enjoy their new prosperity, you were a driving dynamic here. You moved forward.

You've stood with my administration as we work to create the conditions for a more vibrant economy. I've asked Congress for three years to pass a series of growth initiatives -- job-creating initiatives. And the economy has turned sluggish. People want action. And I want action -- action to help people, action to make things better now and in the future.

And our administration believes as you do that the solution lies in free markets for free people. We've promoted straightforward measures to invigorate the economy, such as cut in the capital gains tax; banking reform, inclusive banking reform

MORE

legislation; letting first-time home buyers use these IRAs for purchasing homes; a permanent tax credit for R&D, for research and development and so on.

We pushed other initiatives to make the most of our human capital now and in the future. A revolution, for example, in American education; a tough crime package to back up the police officers that we -- are supported by every single day of our lives; a tort reform bill up there that will put some caps on some of these mindlessly high settlements that are driving much of industry to its knees. And recently, a transportation bill that will create jobs and provide much needed repair for our roads and bridges and infrastructure.

And, again, I salute Sam Skinner for his leadership as our Secretary of Transportation on this important job-creating legislation.

Although both political parties will feel tempted to engage in partisan warfare when Congress comes back in January, reconvenes, I will be calling upon the Democrats and the Republicans to lay partisanship aside long enough to pass a clear, strong growth package. We owe it to the taxpayer; we owe it to those who have jobs and we owe it to those who don't have jobs to get that done regardless of politics. And I'm going to do that, no matter that 1992 is a presidential election year. (Applause.)

And I might say, being in his hometown, I can work with Dan Rostenkowski, your friend and mine who is Chairman of the Ways and Means Committee. And if we had more like him I believe we could have gotten these problems solved long, long ago.

In the post-Cold-War world -- and you've set the example on this one -- we must thrive in the international marketplace. I am going to be meeting this weekend with President Salinas. And I know he was up visiting you all earlier this year. And the two of us are going to discuss trade matters in detail. And later this month I will promote free and fair trade -- read that, jobs -- with our allies in Japan and South Korea and Singapore, and also going down to Australia. Free and fair trade means more jobs for Americans.

And we must not pull back into some isolationistic sphere listening to the siren's call of "America first." I learned that lesson as a young kid just at the beginning of World War II, and I don't want to see this country go back to "America first" and protection. That will shrink markets and throw people out of work. And we need to stand together against that call from the left and against that call from the right to stay within ourselves. We owe the world leadership, and they're going to get it from this President. (Applause.)

You know, the allegation is that I spend a lot of time on foreign affairs. I do take -- I take great pride in some of the accomplishments we've made. I think America came together at Desert Storm and we found a new sense of confidence, a new spirit as a nation. And I'm not going to back away from that. I am proud that we're bringing parties that have stood at each other's throats for years, bringing them together in the Middle East to talk some peace. I'm proud of the way we've handled the evolution in the Soviet Union. And right today it is extraordinarily complicated.

But my point is, we cannot withdraw, we can't pull back. You can't do it. You're engaged in the markets, and well you should be, because that offers prosperity to the American people as well as to others. And I don't think a President should pull back in the face of domestic criticism by some partisans suggesting that we don't have to worry about our national security and that we don't see that jobs stem from being engaged with foreign countries, instead of being pulled back from engagement with foreign countries.

So I can do both. We can stay involved, work for world peace, enhance our national security, and now drive forward to get this economy moving by bipartisan action for growth -- economic growth that means jobs for the American people.

Years ago, Carl Sandburg described this city as "the hog butcher for the world." That was the Chicago of another era, another world. And today Chicago serves as the pork belly's future, the currency's future -- the future, period, of an international marketplace. And the one message I'd like to come out of this meeting here today and the other meetings I've had is that we are the hub of the international market. And countries that are emerging into democracy are looking to us for leadership in terms of making world markets. And nobody does it any better than the people right here in this room. (Applause.)

Thank you very, very much. And now get back to work and help us shape another American century. Thank you all. I'm glad to be with you. (Applause.)

END

12:18 P.M. CST

FROM

THE WHITE HOUSE

WASHINGTON, D.C.

The Honorable Hugh Gregg
Resources of New Hampshire
Rural Free Delivery Route Five
Gregg Road
Nashua, New Hampshire 03062

Personal

(Personal)



THE PRESIDENT

Rec. 10, 1991

Dear Hugh -

Yesterday I saw a copy
of the Union Leader; and I
thought deja vu - Bill Loeb
is back. Buchanan charges.
It's as if the world's stood
still for 12 years -

Then I thought - I am
very glad Hugh is in my
corner - I know we can
do it right - Thanks so very much
to you and Cary for being willing
to "suit up" yet again.

More later; but for now, my
profound thanks -

Cy

Jan Rurmeister

cc:
Sam Skinner
Ron Kaufman

10:15 A.M. EST/9:15 A.M. CST NEWS UPDATE

GORBACHEV/RESIGNATION (Moscow) -- A top aide to President Gorbachev said the Soviet leader, fighting for his political life, would soon bow to the inevitable and resign. A Tass reporter told Reuters that senior adviser Georgy Shakhnazarov had informed a meeting of young politicians: "Such a situation is forming that we will not have to wait long for the resignation of President Gorbachev and his team." Interfax carried a similar report.... "If the decision [commonwealth accord] adopted at Minsk is implemented, the union organs will have to wind up their work," said Shakhnazarov, describing the accord as a "pure coup d'etat."

SOVIET NUCLEAR WEAPONS (Moscow/AP) -- ...Georgy Shakhnazarov confirmed that President Gorbachev retains control over the button controlling the country's vast nuclear arsenal.

MIDEAST TALKS/SOVIETS (Cairo/Reuter) -- The Soviet ambassador to Egypt, Vladimir Poliakov, said his country still planned to host multilateral Middle East peace talks next month despite internal upheavals.

HUNGARY/SECRETARY CHENEY (Budapest/Reuter) -- Secretary Cheney wound up a visit to Hungary during which he brought word from President Bush that Hungary would be eligible for U.S. military aid. "I was pleased to bring official word of the decision by President Bush to make Hungary eligible for government-to-government transactions under our foreign military sales program," Cheney told a news conference.

ISLAMIC SUMMIT (Dakar, Senegal/UPI) -- King Hussein of Jordan urged at the Islamic summit that sanctions imposed on Iraq by the U.N. be lifted because thousands of Iraqis are dying as a result of the economic blockade. "Imbalance in international relations will remain despite the drastic developments over the past two years because this new world order is still using the same old tools," Hussein told his fellow Muslim leaders.

MIAS AND POWS (Bangkok/UPI) -- A joint U.S.-Vietnamese search team has found the teeth, bones and helmet of an American pilot, Maj. John Leighton Robertson, proving that the aviator was killed when his plane crashed 25 years ago and cannot be one of three men shown in a recent photo, official Hanoi radio reported.

CAMBODIA/U.S. FORCES (Phnom Penh/UPI) -- U.S. soldiers are back in Cambodia for the first time in 16 years, as part of what will be the United Nations' largest-ever peacekeeping operation.

KURDS (Salahuddin, Iraq/Reuter) -- Kurdish leader Massoud Barzani is threatening to use his guerrilla army to maintain law and order in Iraq's restive north, Kurdistan...even if it means confronting rival political factions.

MIDEAST PEACE/E.C. (Maastricht/Reuter) -- [In a draft declaration], the E.C., striking an optimistic note on the Middle East peace prospects, called for a halt to Israeli settlements on Arab land and an end to the Arab economic boycott of Israel.

12:00 P.M. EST/11:00 A.M. CST NEWS UPDATE

TRIP (Chicago/UPI) -- Declaring the performance of the economy "unacceptable," President Bush opened trading at the Chicago Board of Trade with the promise his new growth package will "give it a kick and get it started again."... "I am not happy...nor is anybody with the state of the economy," Bush said in a pep talk for traders.... So with a renewed vow he will be gathering the "best ideas I can" by the time Congress returns from recess for "a strong growth package that is long overdue," he declared: "The current performance of this economy is unacceptable; growth is too slow. But there are some encouraging signs: interest rates are down, mortgage interest rates, inflation seems to be holding down and now we've just got to give it a kick and get it started up again."... Like most of his travels next year, the Chicago trip had political overtones as Bush prepares for re-election. It coincided with the day that Pat Buchanan planned to announce whether he will challenge Bush.

(Christopher Connell, Chicago/AP) -- President Bush promised to give the lifeless U.S. economy "a kick" to revive it as he sought to put a spotlight on farm exports. Bush visited the hectic soybean pit of the Chicago Board of Trade and rang the ceremonial bell that triggers the daily onslaught of dealing. "I want to see this place spring into action," Bush declared. He conceded that the economy is in a slump.

TRADE DEFICIT (UPI) -- The U.S. had a foreign trade deficit of \$10.5 billion in the third quarter, fed by higher imports, forgiveness of foreign debt and fewer contributions from the Gulf War, the Commerce Department said.... An increase in the merchandise trade deficit -- to \$20.5 billion in the third quarter from \$15.4 billion in the second -- was one of the main reasons for the current account deficit. The increase was more than accounted for by a jump in imports to \$125 billion from \$119.6 billion. Exports increased slightly to \$104.5 billion from \$104.2 billion. Another major reason for the deficit is that cash contributions received from allied nations for Gulf War costs fell to \$4.6 billion from \$11.6 billion in the second quarter. A third reason for the deficit was that the U.S. forgave \$2.9 billion in debt to several countries during the third quarter.

STOCK MARKET (New York/AP) -- The stock market moved higher as traders waded through conflicting news on the economy. The Dow Jones average gained 2.46 at 2,874.11 in the first half-hour of trading. Big Board volume was 26.50 million shares as of 10:00 a.m.

PAT BUCHANAN (Concord, N.H./Reuter, for 12:00 p.m. est release) -- Patrick Buchanan said he would challenge President Bush for the 1992 Republican presidential nomination, saying the future belonged to true conservatives. In a call for "a new patriotism" based on nationalism, limited government and family values, Buchanan said Bush was a man of personal integrity but was out of step with the nation's needs and was part of the problem instead of the solution. He savaged the "new world order" and Bush's about-face on raising taxes, and blamed a Republican "breach of faith" for a recession he said the President would not even admit existed.

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GORBACHEV/RESIGNATION (Moscow/Reuter) -- During a briefing, the chief spokesman for President Gorbachev, Andrei Grachov, said the Soviet leader was not considering stepping down from his post.

SOVIET UNION/GATES (Reuter) -- [During a House Armed Services Committee meeting], Robert Gates said the situation in the Soviet Union was dangerously unstable and predicted serious civil disorder this winter. Gates said the CIA was deeply concerned that economic and social challenges might overwhelm new democratic forces in the Soviet Union.

MIDEAST TALKS/RAFSANJANI (Dakar/Reuter) -- President Rafsanjani told an Islamic summit that direct peace talks between Arabs and Israel were fruitless and called for a Moslem holy war to free Palestinian territory.... Rafsanjani also attacked the involvement of the outside powers in the defense of the Persian Gulf. "Over-reliance on the arrogant powers, the U.S. in particular, contradicts the lofty interests of the Islamic Umma," he said. He said when Washington is questioned about the issue of Palestine, it would "prefer the interests of a clique of Zionists."

FORCED REPATRIATION/VIETNAM (Hong Kong/AP) -- Security officials forced 28 subdued and withdrawn Vietnamese boat people onto a Hanoi-bound transport plane in the second forcible repatriation in a month.

2:15 P.M. EST/1:15 P.M. CST NEWS UPDATE

PRESIDENT'S TRIP (Chicago/Laurence McQuillan, Reuter) -- President Bush said that the economy's performance was unacceptable and pledged to work with Democrats who control Congress to try to reach agreement on a plan to turn it around.... Brokers at the Chicago Board of Trade cheered Bush and then pandemonium broke out when he picked up a hammer and rang the ceremonial bell opening trading for the day.

ECONOMY/BANKS (AP) -- Banking troubles spread to California in the July-September quarter, while institutions in the hard-hit Northeast showed signs of recovery, the government said. The nation's commercial banks earned \$4.3 billion, the FDIC said. That was a moderate decline from the \$4.6 billion earned in the second quarter, but a substantial improvement over the \$3.6 billion in earnings during the third quarter of 1990.... However, the national averages masked some dramatic changes regionally. California's commercial banks lost \$74 million in the July-September period, compared with an \$859 million profit a year earlier.

FARM PRICES/SOVIET UNION (Chicago/AP) -- Grain and soybean prices are mixed in early trading on the Chicago Board of Trade as traders continue to ponder the effect of the Soviet Union's disintegration on U.S. grain exports.... Most of the news surrounding the Soviet Union was negative for grain prices. Ambassador Strauss says an inter-republic committee responsible for distributing U.S. food aid may have disbanded. Robert Gates says the Soviet situation is "dangerously unstable."

SLAVIC COMMONWEALTH (Moscow/AP) -- Lawmakers in Ukraine and Byelorussia overwhelmingly ratified the Slavic commonwealth pact, and Kazakhstan's president called the Soviet Union's future doubtful.... Soviet media quoted Kazakh president Nazarbayev as saying: "Today, prospects for signing the new Union Treaty forming an economic community are more problematic than ever." While emphasizing his support for the union, Nazarbayev said from the Kazakh capital of Alma-Ata: "Kazakhstan must be ready for any change in events, and if that happens, we will have to live self-sufficiently."

COMMONWEALTH/STRAUSS (Reuter) -- Ambassador Strauss predicted a fight over efforts by Russia, Ukraine and Byelorussia to establish a new commonwealth and said the Soviet military was a "wild card" in the country's future. Addressing a packed breakfast meeting of Washington's political elite, he also urged U.S. businesses to continue investing in the Soviet Union despite political turmoil there, saying America is "falling behind" Germany and Japan in this regard.... "There is no question in my mind that there is less than 100 percent enthusiasm for the new government," Strauss told a trade forum on the disintegrating Soviet Union. "People (in the Soviet Union) are beginning to wonder, say no one was consulted...and I think that's a problem they have in selling this new commonwealth and it's going to be a very difficult problem," he said.... Strauss called it particularly interesting that the Soviet army has not spoken out on the new commonwealth arrangement and said: "The military is a wild card in all of this" upheaval.

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PATRICK BUCHANAN (Concord/AP) -- ... "Why am I running? Because we Republicans can no longer say it is all the liberals fault," Buchanan told a crowd of cheering supporters. In a direct slap at President Bush, he said: "It was not some liberal Democrat who declared 'Read my lips! No new taxes!' then broke his word -- to cut a seedy back-room budget deal with the big spenders."

HOSTAGES/HIGGINS (Reuter) -- The widow of Col. Higgins said she has been assured by U.N. officials that his remains will soon be returned to the U.S. Maj. Robin Higgins said on "Today" that she was told by Perez de Cuellar and Giandomenico Picco that her husband's body would be sent back for burial "hopefully" before Perez de Cuellar steps down at the end of December.

MIDEAST TALKS/SHAMIR (Jerusalem/Reuter) -- Prime Minister Shamir said that Israel opposed splitting a joint Palestinian-Jordanian delegation to Middle East peace talks because it violated existing agreements. Shamir criticized the Palestinian demand to split the delegation as detrimental to the atmosphere for discussions.

5:30 P.M. EST NEWS UPDATE

TRIP (Chicago/Laurence McQuillan, Reuter) -- President Bush, harking back to the origins of WWII, warned against "America first" isolationism advocated by rivals like Pat Buchanan. Bush said the country's economic performance was unacceptable but that he would reject any effort to stem the flow of foreign goods into the U.S.... Speaking to the Illinois Farm Bureau state convention, Bush said: "America is first and will remain first only if we stay engaged in world markets and involved in world security, and as long as I'm president, that's exactly what I'm going to do."

(Chicago/Reuter) -- President Bush brought press-the-flesh politics to the pork belly, corn and soybean world of Chicago's futures exchanges, shaking hundreds of hands as he toured the trading floors.... His enthusiasm was matched by exchange members and clerks who lined the path cleared by security agents, asking for his autograph.... Some traders said live hog futures sold off to set new lows when Bush avoided mentioning a long-hoped-for offer of U.S. pork to the Soviet Union.

ECONOMY (UPI) -- The chief congressional economist said that many legislative measures intended to jolt the sagging recovery could delay or jeopardize renewed growth next spring.... Robert Reischauer told the House Budget Committee a major tax cut would drive up the massive budget deficit and spark inflation..... "I think that the steps of the Fed over the past several months are sufficient to get the economy moving again," he said.

SOVIET UNION/GATES (AP) -- ...Robert Gates met with lawmakers [at a House Armed Services Committee meeting] behind closed doors and told them that President Gorbachev "is losing out" and may have to step down, according to Rep. William Dickinson.... At the same time, discipline and cohesion in the formerly powerful Red Army are disintegrating, Gates said. Shortages of food, fuel and housing for troops are undermining morale and reliability of the forces is "dubious," he added.... Margaret Tutwiler said the U.S. had no position on whether formation of the commonwealth and dissolution of the Soviet Union was legal.... [Regarding the changing world], Rep. Aspin said assumptions about future spending, including a five-year plan to cut 25% from the Defense budget, have to be thrown out. "We're back to the drawing board," he said.

SLAVIC COMMONWEALTH (Moscow/UPI) -- Russian Deputy Prime Minister Gennadi Burbulis said Soviet Defense Minister Yevgeny Shaposhnikov supports in principle the new commonwealth and its plan for a unified military in the three Slavic republics. The Russian official said commonwealth leaders informed Shaposhnikov of their agreement and reassured him that the three republics intended to maintain "a unified command, a single joint strategic space."

BUCHANAN (Concord/UPI) -- ...Clayton Yeutter, speaking from Chicago, said, "We're not concerned. We do not believe he will be a significant factor in the electoral process. He has limited appeal. We don't believe he is a relevant factor."

REPUBLICAN GOVERNORS (Salt Lake City/Reuter) -- Republican governors wound up their annual conference, saying they are confident that President Bush is addressing the nation's ills and said they are solidly behind his re-election.

HEALTH CARE (AP) -- Americans will be paying more than a trillion dollars a year for health care by the year 2000, a group that advocates changes in the nation's health laws said. The Families USA Foundation said the average family now pays \$1 out of every \$8.50 it has for health care, compared with \$1 of every \$11 in 1980. By the end of the century, the foundation's report said, the rate will increase to \$1 of every \$6 if present trends continue.... Ron Pollock, executive director of the foundation, said that [regarding specific health care reform bills under consideration in Congress], President Bush "has either been silent...or has opposed every single comprehensive proposal that has been offered, and he has offered no alternatives."

IRAQ EMBARGO (AP) -- The State Department said private entrepreneurs operating in Turkey and Jordan are doing business with Iraq in violation of the U.N. economic embargo against that country. Margaret Tutwiler said these activities are not sanctioned by either the Turkish or Jordanian government.... "We are encouraged by the response and responsible measures taken by both governments," she said. She added that the Administration does not believe that transactions contribute in an appreciable way to Iraq's reconstruction efforts.

MONEY LAUNDERING (Bogota/Reuter) -- Colombian and U.S. authorities have seized computers, disks, checks and documents in a joint operation against money-laundering rings in Colombia and the U.S., Colombian police said. The police said that, as a result of the investigation, 50 bank accounts were being investigated in Colombia and several had been frozen in the U.S.... Colombian police released the first results of the operation together with a letter which they said President Bush had written to Colombian president Gaviria, congratulating him on the operation.

MIDEAST TALKS (AP) -- Arab and Israeli negotiators reported no progress after opening a second round of Mideast peace talks. A separate session between Palestinians and Israelis never got beyond a dispute over formalities.... Israel's talks with Palestinians immediately stalled over Palestinian demands to hold talks independent of their Jordanian counterparts.

DEMOCRACY IN KUWAIT (Kuwait City/AP) -- A group [Kuwaiti Democratic Forum] of mostly Western-educated liberals announced the formation of the first open political party in Kuwait, striving to start fighting for free speech and the right to gather for the 1992 elections.

EUROPEAN DEFENSE (Maastricht/UPI) -- E.C. leaders agreed to establish a common defense policy, with the Western European Union acting as a liaison body between the E.C. and NATO.... The agreement is based on a French-German plan presented in October that called on making the WEU, a regional defense body with limited powers, the link between the Community and NATO.

daily

THE WHITE HOUSE
MRS. BUSH'S PRESS OFFICE

DAILY PRESS CLIPPINGS

DECEMBER 10, 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)

Mon 9-Dec-91 14:32 EST

Mrs. Bush Gives Holiday Tour

WASHINGTON (AP) — Barbara Bush showed off the official White House Christmas tree Monday and its 1,200 needlepoint ornaments — including a six-inch, white-haired, first-lady-like angel with three strands of pearls blowing a celestial horn.

"I've been a little embarrassed by that," Mrs. Bush said.

The decorations, stitched by the first lady and hundreds of volunteers, include a sea of Santa Clauses, rocking horses, stars, rocket ships, giraffes, carousels and even a school bus.

"Isn't it unbelievable?" Mrs. Bush asked.

The tree, an 18-foot Noble fir from Oregon, stretches to the ceiling of the Blue Room.

Eighty-two needlepoint houses form a turn-of-the-century village around the tree and on White House mantles, with a moving train loaded with coal, yarn and a miniature tree strapped to a flatcar.

Three of the decorations are Mrs. Bush's handiwork: Raggedy Ann and Andy dolls, and a jowly Millie with an elf's cap on her head. One granddaughter, 10-year-old Barbara, stitched a yellow star.

"Over 500 of us did the needlepoint," said Mrs. Bush, who credited a knitting club from St. Martin's, her hometown church in Houston, called the Sainly Stitches, with the bulk of the work. "We never dreamt it would be this beautiful."

Mrs. Bush, asked how the hard economic times might affect this Christmas, said, "I hope that it will make people think of others and give more to people who need."

She also had a word of praise for Soviet President Mikhail S. Gorbachev amid the breakup of the Soviet Union.

"I hope people remember that without Gorbachev, a lot of the good things that happened in the world wouldn't have happened. I mean, he didn't get the peace prize for nothing,"

As for resigned White House Chief of Staff John H. Sununu, she said, "He'll be here and I love him."

A needlepoint creche that the Sainly Stitches gave the Bushes two Christmases ago also on display in the Blue Room, along with a needlepoint Noah's Ark that features 44 pairs of animals, from snakes and elephants to monkeys and alligators.

In a nod to Texas and the Bushes, the needlepoint creche include a miniature Millie and such critters as the armadillo and Bevo, the long-horned steer that is the University of Texas mascot.

The White House estimates the volunteers, including White House staff and other Bush family friends, put in 150,000 hours on the ornaments over the last 21 months, working from patterns designed by White House florist Nancy Clarke and others.

The Bushes will hold Christmas parties almost every evening for the next two weeks, starting Tuesday night with a reception for members of Congress. In all, some 100,000 visitors are expected to troop through the White House to see the decorations.

Mon 9-Dec-91 13:53 EST

Christmas decorations up for the holidays

By HELEN THOMAS

UPI White House Reporter

WASHINGTON (UPI) — First lady Barbara Bush ran out of superlatives when she unveiled the Christmas decorations at the White House Monday, calling them "spectacular, beautiful and exciting."

Mrs. Bush, in keeping with the yuletide season, wore a red and white striped jacket, a red skirt and her trademark pearls, as she led members of the media on a tour of the White House decorations.

"Isn't it beautiful," she enthused. "Isn't it spectacular. Isn't it exciting."

The show-stopper was the 18-foot tree in the Blue Room decorated with 1,370 needlepoint ornaments, including a portrayal of Mrs. Bush as an angel with pearls and Millie, the famous family springer spaniel.

The needlepoint animals, toys, candy canes, Santa Clauses, rocking horses, stars and other Christmas objects, were sewn over the last two years by Mrs. Bush, her White House staff, other presidential employees, contributors from around the country and particularly the first lady's friends in Houston, Texas, called the "Saintly Stitchers."

The patterns were designed by Nancy Clarke of the White House florist shop.

For the 22nd straight year, White House pastry chef Hans Raffert baked the traditional "Hansel and Gretel" gingerbread house.

Also in needlepoint is a turn-of-the century village with 82 separate pieces made from different patterns, including churches, schools, houses, barns, a train station, library, covered bridge and shops.

Taking a few questions during the tour, Mrs. Bush reiterated that the adults in the Bush family do not exchange gifts, but said she would be "holding hands with George" on Christmas. Most of her family will be together on Christmas Day at the presidential retreat, Camp David.

She called Christmas "absolutely" the nicest time of the year in the White House.

Asked for her thoughts for the holidays while the country is going through hard times, she said: "You're feelings about Jesus Christ never change. You hope it makes people think of others and give more to people in need."

A reception Monday for the hundreds of contributors to the White House decorations kicked off the holiday festivities with a Christmas ball for members of Congress on Tuesday and a children's Christmas party on Wednesday.

Mon 9-Dec-91 14:18 EST

Mrs. Bush 'Embarrassed' by Ornament Resembling Her

By CHRISTOPHER CONNELL

Associated Press Writer

WASHINGTON (AP) — Barbara Bush showed off the official White House Christmas tree Monday and its 1,200 needlepoint ornaments — including a six-inch, white-haired, first-lady-like angel with three strands of pearls blowing a celestial horn.

"I've been a little embarrassed by that," Mrs. Bush said.

The decorations, stitched by the first lady and hundreds of volunteers, include a sea of Santa Clauses, rocking horses, stars, rocket ships, giraffes, carousels and even a school bus.

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Three of the decorations are Mrs. Bush's handiwork: Raggedy Ann and Andy dolls, and a jowly Millie with an elf's cap on her head. One granddaughter, 10-year-old Barbara, stitched a yellow star.

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"We never dreamt it would be this beautiful."

Mrs. Bush, asked how the hard economic times might affect this Christmas, said, "I hope that it will make people think of others and give more to people who need."

She also had a word of praise for Soviet President Mikhail S. Gorbachev amid the breakup of the Soviet Union.

"I hope people remember that without Gorbachev, a lot of the good things that happened in the world wouldn't have happened. I mean, he didn't get the peace prize for nothing,"

As for resigned White House Chief of Staff John H. Sununu, she said, "He'll be here and I love him."

A needlepoint creche that the Sainly Stitches gave the Bushes two Christmases ago also on display in the Blue Room, along with a needlepoint Noah's Ark that features 44 pairs of animals, from snakes and elephants to monkeys and alligators.

In a nod to Texas and the Bushes, the needlepoint creche include a miniature Millie and such critters as the armadillo and Bevo, the long-horned steer that is the University of Texas mascot.

The White House estimates the volunteers, including White House staff and other Bush family friends, put in 150,000 hours on the ornaments over the last 21 months, working from patterns designed by White House florist Nancy Clarke and others.

The Bushes will hold Christmas parties almost every evening for the next two weeks, starting Tuesday night with a reception for members of Congress. In all, some 100,000 visitors are expected to troop through the White House to see the decorations.

The White House is filled with dozens of other Christmas trees, including 19 beaming with white lights and artificial snow in the Entrance and Cross Halls. A baroque creche from Italy with carved wood and terra cotta figures is again the centerpiece in the East Room.

Forty 40 florists and other volunteers spent last week decorating the mansion, finishing their work Saturday.

The First Lady's Yuletide House Tour

By Donnie Radcliffe
Washington Post Staff Writer

The spirit of kinder, gentler Christmases past arrived at 1600 Pennsylvania Ave. yesterday.

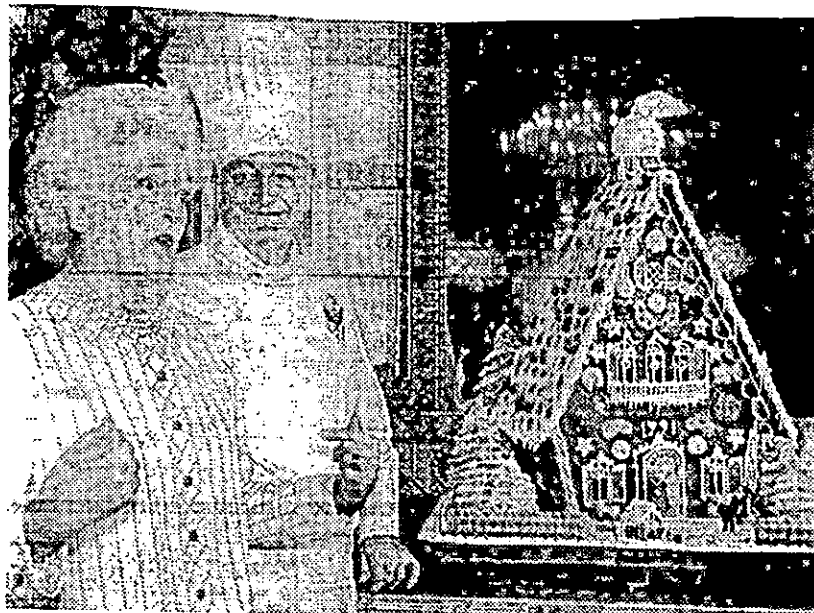
This one, without any of the ugly realities of Charles Dickens's "A Christmas Carol," is George and Barbara Bush's version of a White House Christmas, done up with 1,370 handmade needlepoint ornaments featuring a turn-of-the-century village, Noah's ark, a creche and an 18½-foot fir tree that almost touches the Blue Room ceiling. Several of the ornaments look suspiciously like Mrs. Bush.

"There are a lot of white-haired, fat, pearly ones," the First Lady conceded yesterday during a preview tour for the media, adding that she was "touched" by the "affection" of the volunteers who made them but was nonetheless "a little embarrassed" by them, especially one white-haired six-inch angel wearing pearls, a gold crown and spangled wings.

There were no such displays of affection for President Bush among the ornaments created by more than 500 volunteer needlepointers around the country, many of them members of the Sainly Stitches of St. Martin's Episcopal Church, the Bushes' Houston church. It was the group's 1989 gift to the Bushes of a needlepoint creche of 49 animals, 23 people and angels, 2 stars and 5 trees that provided the inspiration for this year's Christmas theme.

Helén Thomas, White House correspondent for United Press International, asked how the First Lady thought "the depression"—using the Scrooge word that is never spoken at the White House—would affect Christmas 1991.

"I hope it will make people think of others and give more to people in need," said Mrs. Bush, who either



First Lady Barbara Bush on yesterday's tour with White House Executive Chef Hans Raffert, who made the gingerbread house.

missed the reference or chose to let it go.

Of Soviet President Mikhail Gorbachev's diminishing role, Mrs. Bush said she always feels "sorry for anyone who has problems" but added that "I hope people remember that without Gorbachev a lot of the good things that happened in the world wouldn't have happened. He didn't get the [Nobel] Peace Prize for nothing."

And on whether she will miss John H. Sununu, who is departing as Bush's chief of staff but will serve as a counselor to the president until March: "He'll be here. I love him."

The tour began in front of the Christmas tree, grown in Marion County, Ore., and decorated with the needlepoint ornaments made from 106 patterns—animals, stars, toys, snowflakes, Santa Clauses and others—created by Nancy Clarke, director of the White House flower shop. Circling the base was a toy train pulling cars filled with yarn and trees and moving between needlepoint villages marked "Houston" and "Washington, D.C."

The Blue Room also features a 92-piece Noah's ark with its 44 pairs of animals. In the adjacent Red and Green rooms are an additional 79 patterns done in styles and colors of the volunteers' choice. Work on the ornaments began in March 1990, and 150,000 woman- (and some man-) hours were devoted to the project. Another 1,600 hours were put in by 40 volunteer florists from around the

country who spent six days here installing the decorations.

In the East Room for the 27th straight year is an 18th-century Italian creche that was a gift from Mrs. Charles W. Engelhard, and four blue spruce trees are adorned with red paisley and gold ribbons, gold glass pine cones, glass balls and bead strings. Throughout the White House are poinsettia trees and garlands of greenery.

In the State Dining Room is the traditional gingerbread house, the work of White House Executive Chef Hans Raffert, which shows what Mrs. Bush called "a languishing Millie" lying in the front yard, where Hansel and Gretel are playing.

"We never dreamed it would be this beautiful," said Mrs. Bush of all the decorations. She made three of the needlepoint ornaments, a pair of rag dolls and a version of First Dog Millie. Her daughter, Dorothy Bush LeBlond, made a horse. A granddaughter, Barbara Bush, 10, made a star, and numerous friends and White House staffers stitched other ornaments.

The First Lady said her first glimpse of the festooned state rooms came around 3 a.m. Sunday, shortly after she and the president got back to the White House from Hawaii, when she took Millie for a walk and decided she couldn't wait until morning. She estimated that 100,000 visitors, many of them the Bushes' invited guests at a series of holiday parties that began yesterday, will see the decorations before the season ends.

White House is jolly for its season of holly

By Anne Gowen
THE WASHINGTON TIMES

Standing in front of the White House Christmas tree and a needlepoint ornament of first dog Millie, first lady Barbara Bush said yesterday, "I feel very good about Christmas this year."

The only cloud seemed to be the woes of Soviet President Mikhail Gorbachev.

"I feel sorry for him, for his problems," she said. "I hope people remember that without Gorbachev, a lot of the good things that happened in the world wouldn't have happened. I mean, he didn't get the peace prize for nothing."

Mrs. Bush was leading a press tour of the White House Christmas decorations, hung over the weekend. The finishing touches were added Sunday.

This year's theme is "A Needlepoint Christmas" and the 18½-foot Noble fir tree in the Blue Room was covered with 1,370 ornaments made by a Houston sewing group, Sainly Stitchers, and various Bush family members, White House staff and friends. The patterns included animals, toys, candy canes, angels, snowflakes, rocking horses and gingerbread men.

"There are a lot of white-haired, fat, be-pearled people on this particular tree," said Mrs. Bush, making her way around it.

Mrs. Bush made both the Millie

ornament and a Raggedy Ann and Raggedy Andy. The ornaments took her about a year to complete, she said.

"They put a caroler next to Millie that looks familiar," said Mrs. Bush, noting the singer's white hair and red jacket.

Mrs. Bush laughed heartily when she caught sight of a red dinosaur with purple-plaid scales and her trademark three-strand pearls.

■ "There are a lot of white-haired, fat, be-pearled people on this particular tree," said Mrs. Bush.

around its neck.

"I haven't seen that before," she said, then stopped to point out the gold star made by one of her granddaughters, Barbara, age 9.

The Bushes will spend Christmas at Camp David, as they usually do, with most of their five children and 12 grandchildren. John Ellis "Jeb" Bush and wife Columba will stay in Miami with their three children.

see BUSH, page E5

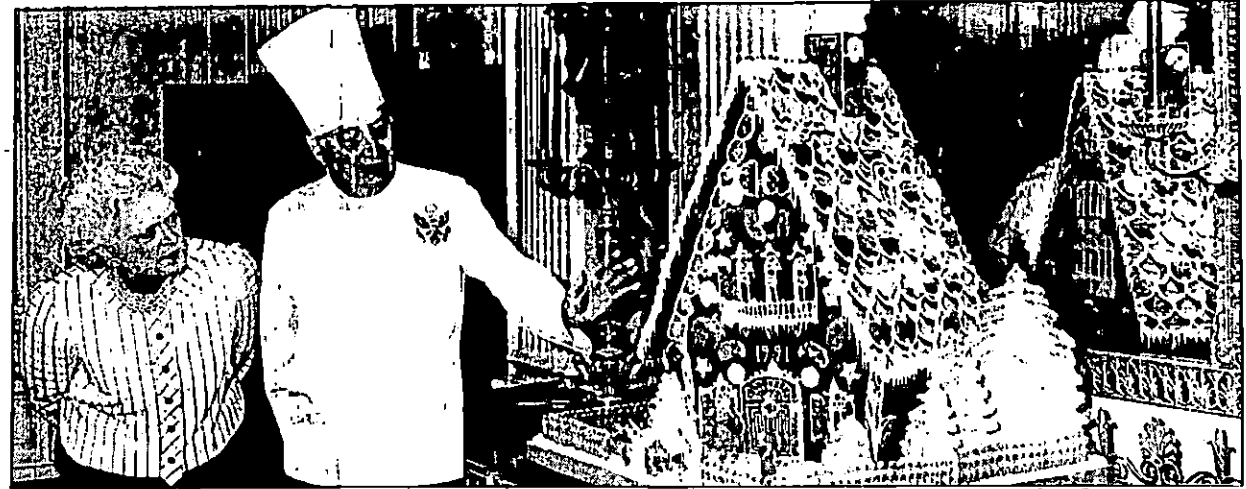


Photo by Walter Oates The Washington Times

White House Chef Hans Raffert shows Barbara Bush his Old World-style gingerbread house.

BUSH

From page E1

"I think that things about Jesus never change," Mrs. Bush said. "It's a time to think of others and give more to people who need."

Mrs. Bush said she would spend the holiday "holding hands with George Bush" and that, as usual, the two would not exchange gifts.

The needlepoint theme was inspired by a creche donated by the Houston-based sewing club three years ago -- a "very Texas creche," said Mrs. Bush, with hand-sewn armadillos and Texas longhorns.

WHAT: "A White House Christmas"

WHEN: Tours available

Tuesday-Saturday from 10 a.m. to noon through Dec. 28 (no tours Dec. 25). Candlelight tours Dec. 26-28 from 6 to 8 p.m.

WHERE: Enter through the East Visitors Gate off Pennsylvania Avenue

PRICE: Free, no tickets required

PHONE: 202/456-2323

The tree ornaments and the tiny village beneath it took 150,000 hours of work to complete.

Another highlight in the Blue Room was the Noah's ark with 44 pairs of animals including giraffes, snakes and monkeys. Two quail -- in

honor of the Quayles -- stood guard on deck.

The East Room was decorated more traditionally, with the red paisley-and-gold bows on the trees and the White House creche that has been displayed each year since 1967.

There were 25 trees in all, including several with an amazing amount of flocking and tinsel in the Entrance Hall.

The State Dining Room featured white tulips and holly, a handmade sleigh on the table and the Old World-style gingerbread house made by White House Chef Hans Raffert.

And where was the mistletoe?

"Upstairs, honey," said Mrs. Bush with a sly smile.

Newsmakers

White House needles and Texas stitches

By W. Speers
Inquirer Staff Writer

Barbara Bush yesterday introduced the media to the official White House Christmas tree, featuring 1,200 needlepoint ornaments done by her and fellow members of Houston's Sainly Stitches knitting club.

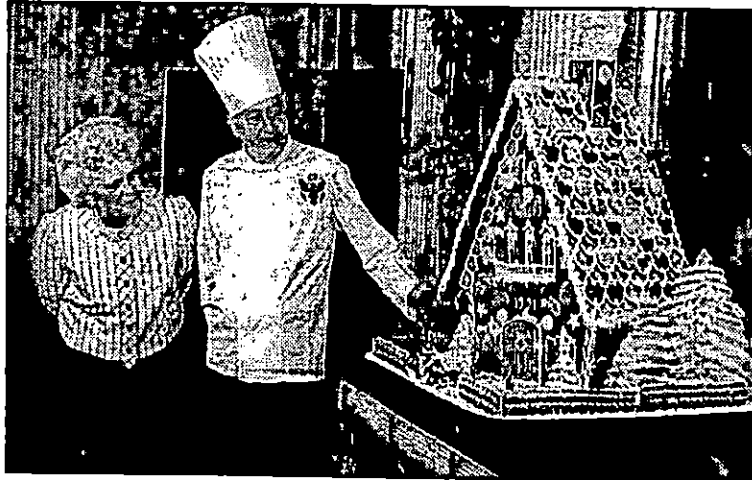
"Isn't it unbelievable?" the first lady said of the 18½-foot noble fir, which reaches to the Blue Room ceiling. "Over 500 of us did the needlepoint." Three are hers — Raggedy Ann and Andy dolls, plus Millie, the Bush dog, with an elf's cap.

One of the ornaments is a six-inch, white-haired angel wearing three strands of pearls. "I've been a little embarrassed by that," said the first lady.

Around the tree is a turn-of-the-century needlepoint village of 82 buildings through which moves a train. Forty florists and other volunteers spent all last week decorating the place. A round of almost nightly White House Christmas parties will begin tonight.

Full of holiday goodwill, the first lady had kind words for Mikhail Gorbachev ("without Gorbachev, a lot of good things that happened in the world wouldn't have happened") and even John Sununu, resigned White House chief of staff. ("I love him").

Christmas at the White House



By Tim Dillon, USA TODAY

TREATS: First lady Barbara Bush and chef Hans Raffert show off the White House gingerbread house Monday. Other Christmas decor includes 1,200 needlepoint ornaments created for the Blue Room tree by the Saintly Stitchers, a group from the Bushes' hometown church, St. Martin's in Houston. Also on display for an expected 100,000 holiday visitors: a needlepoint creche the Stitchers created two years ago.

Mon 9-Dec-91 18:01 EST

BUSH GIVEN ASSURANCES ON SOVIET NUCLEAR ARSENAL

By Laurence McQuillan

WASHINGTON, Reuter - President Bush is prepared to help the political system that emerges from the Soviet Union's collapse and has been assured creation of a new commonwealth poses no threat to the safety of Soviet nuclear arms, a spokesman said Monday.

"Things are moving very fast and we're right in the middle of it," White House spokesman Marlin Fitzwater said. "But we are prepared obviously to work with whatever government emerges or whatever form of confederation emerges."

Russian President Boris Yeltsin, in a telephone conversation with Bush Sunday, gave assurances nuclear weapons would be "handled responsibly," Fitzwater told reporters.

Yeltsin and the leaders of Ukraine and Byelorussia announced Sunday their own free-market commonwealth -- leaving Kremlin leader Mikhail Gorbachev the president of a country they said no longer exists.

At the State Department, spokeswoman Margaret Tutwiler said the administration was encouraged by the communique issued by the three leaders because it included five principles set down by the Washington as a marker for improved ties with the emerging republics.

The communique "addresses itself to positions and responsibilities that we think are important and responsible positions to take...we were encouraged by what is contained within it," she told reporters.

Without saying exactly how the communique dealt with the issues, she referred to the goal of forming democratic legal states, adhering to United Nations documents, guaranteeing the rights and freedoms of all citizens, respecting existing borders and fulfilling international obligations.

The breakup of the Soviet Union has prompted fears the demise of central control would endanger the safety of the Kremlin's nuclear stockpile.

"President Yeltsin told President Bush that he was equally concerned about the safety of nuclear weapons and assured us that that matter would be handled responsibly," Fitzwater said.

The spokesman noted that the U.S. favors seeing nuclear responsibilities stay under a single, unified command.

"There have been some stories that we would prefer that it be in Russia," he said. "Those stories are incorrect. We've never said that, but we have indicated the single command."

Fitzwater, asked where Washington would like to see the nuclear weapons located, said "that's something for them to decide. But all we have said is that we think ... their safety can best be provided for through a unified command."

He insisted, however, that Washington was satisfied the latest changes do not put Soviet weapons at risk.

"We have diplomatic contacts throughout these governments, and we continue to believe that the nuclear weapons in the Soviet Union are safe," he said.

"We have good relations with the republics and with

President Gorbachev. We feel we are well-positioned to be a partner in these events as they do unfold and we will take it one step at a time," he added.

Attempting to keep up with the swift changes sweeping the former Soviet Union, Baker is due to leave Saturday night for a trip to Russia, Ukraine and Byelorussia and Tutwiler said he may visit other capitals, possibly Alm Ata in Kazhakstan.

He will also make a major speech on U.S.-Soviet relations at Princeton University on Thursday.

First lady **Barbara Bush** Monday voiced sympathy for Gorbachev and said the political changes that have swept the world would not have happened without him.

"I feel sorry for anybody who has problems," Mrs. Bush told reporters during a tour of Christmas decorations at the White House.

"I hope people remember that without Gorbachev a lot of the good that happened in the world would not have happened," she said.

About TOWN

A GLIMPSE AT PEOPLE, PARTIES AND POLITICS

A marathon celebration weekend for seven of the nation's most talented performing artists came to a close Sunday night at the 14th annual Kennedy Center Honors performance and dinner.

There was a whirlwind of activities planned to honor this year's recipients, including musical comedy writers **Betty Comden** and **Adolph Green**, dancers **Fayard** and **Harold Nicholas**, actor **Gregory Peck**, singer **Roy Acuff** and conductor **Robert Shaw**.

After a State Department dinner, several brunches and a White House reception held for the honorees and special guests, luminaries such as **Anthony Hopkins**, **Walter Cronkite**, **Kitty Carlisle Hart**, **Jean Stapleton**, **Kelth Carradine**, **Michelle Lee**, **Carol Burnett**, **Emmylou Harris** and **Lauren Bacall** finally got to the Opera House for the piece de resistance.

"One thing that's great about this show — aside from recognizing top American artists, — is that

A whole weekend celebrating the arts

it is apolitical," said actor/comedian **Jack Lemmon** at the post-performance dinner. "Even though the president is involved and some officials are present, it's really all about the arts."

Spalding Gray agreed that Washington can be a bit stiff at times, but added, "I was a little cynical at the brunch earlier today. And later on I expected [the White House] to be real stuffy and formal. But I was surprised. Everyone was pretty loosened up."

Thanks to the White House, honoree **Harold Nicholas** also found a bit of down-home charm in Washington.

"I'm not easily moved ... but to-

night I had tears," he admitted, noting that part of his excitement came from a personal tour. "I got to see the Bushes' bedroom," he giggled. "I met the dogs and everything!"

Later on, Mr. Nicholas expressed his pride in being honored. "I shed a few tears during the program. But I'm exhilarated. I wanted to jump off of the balcony when I saw the dancers on stage. Although I don't do the splits anymore."

Somewhat more restrained was the debonair **Gregory Peck**. "It's certainly one of the high points of my life ... [but] when you get gray hair the honors come in a lot more.

It has to do with survival."

Also present was one of his biggest fans, **Audrey Hepburn**, who met the actor 40 years ago when they were filming "Roman Holiday" together. "He guided me with gentleness, patience and fun. To his generosity, I owe my career."

Others who attended the event were full of praise for both the honorees and the awards.

Arts grandee **Patrick Hayes**, founder of the Washington Performing Arts Society, said, "So far this is the best [Kennedy Center Honors] show I've seen in a few years. It's good for the spirit of the town. And it's great that such a wide spectrum of artistic talents are honored," he said, noting that it was the first year that a country music performer (**Roy Acuff**) got an award.

Summing up the general attitude about receiving honors, Miss Comden used one of Comden and Green's trademark one-liners: "It makes us feel that all that hard work ain't been in vain for nothin'!"

— **Siobhan McDonough**



Carmen De Lavallade and Geoffrey Holder



White House Chief
of Staff Samuel
Skinner and wife
Honey



Cheryl Tiegs and
Tony Peck



The 1991 Kennedy Center Honorees in the Presidential Box. From left: Roy Acuff, Adolph Green, Betty Comden, Gregory Peck, Harold and Fayard Nicholas with wives, Barbara Bush, President George Bush, General Motors CEO Robert Stempel and James Wolfensohn



Film director Martin Scorsese with
friend Barbara De Fina



Audrey Hepburn with escort Robert Wolders talking to reporters at the
White House

Capitol Hill Welcomes Hollywood

■ **Awards:** Washington turns out in black-tie to honor Roy Acuff, Gregory Peck, the Nicholas Bros. and others with the nation's highest tribute to performing artists.

By JENNIFER TOTH
TIMES STAFF WRITER

WASHINGTON—When three stars turn up to testify before Congress, it's enough to cause a traffic jam on Capitol Hill.

When clusters of them showed up in Washington this weekend for the Kennedy Center Honors—the nation's highest tribute to performing artists—Washington cleared the streets and turned out in its best tuxedos and dresses.

In its own sophisticated, formal, East Coast style, the artists committee of the Kennedy Center Honor bestowed its rainbow-stripped ribbons on country singer Roy Acuff, musical comedy writers Betty Comden and Adolph Green, acrobatic tap dance duo Fayard and Harold Nicholas, actor Gregory Peck and choral conductor Robert Shaw.

There were splashes of smiles and color, but basically the State Department (a



Associated Press

Clockwise from top left: Gregory Peck, Betty Comden, Kennedy Center chairman James D. Wolfenson, Adolph Green, Robert Shaw, Roy Acuff, Fayard and Harold Nicholas. The center expects to raise about \$1.65 million from the event.

Saturday dinner hosted by Secretary of State James A. Baker III and the White House (a Sunday reception with President and Mrs. Bush) were flooded with subdued elegance in a conservative tide of black tuxedos and dresses. The weekend culminated in a gala performance honoring the recipients in the Kennedy Center's Opera House on Sunday evening, and finally concluded that night with a supper dance in the Kennedy Center's Grand Foyer.

Saturday night's State Department din-

ner and awards ceremony set the tone for the weekend.

The word from most of the visiting stars, like guests in a foreign land, was that they "love Washington." But as usual, there was a little more to it for some.

"It's such an ugly, squat, square building with so little style on the outside," one star said of the State Department building—clandestinely, "not wanting to be rude to any Washingtonians."

Please see **KENNEDY CENTER, F8**

Continued from F1

"But inside. . . ." She rolled her eyes toward the six opulent chandeliers, and then trailed the marble Corinthian pillars past moody 19th-Century portraits down to the red carpet, where antique wood furniture stood. "It's quite ornate in a subtle way. Beautiful, really. Very East Coast. Unbearably stuffy and old."

The distinguished and imposing figure of Gregory Peck stood tall in a dark suit with a small silver eagle attached to his lapel in remembrance of Pearl Harbor. Lauren Bacall, in a black velvet pantsuit, exuded her demure yet glowing presence. And Anthony Hopkins, with his blue eyes and Hannibal Lecter beard (he claimed he couldn't afford a razor), held a presence all his own.

Leontyne Price, Gene Kelly, Carol Burnett, Douglas Fairbanks Jr., Jack Lemmon, playwright Wendy Wasserstein and Geoffrey Holder (with his wife, Carmen De Lavallade, in a stunning black and gold gown he designed) were among others who turned out to give Washington the illusion that it was the American cultural capital for the weekend.

Secretary of State Baker commended the honorees for helping to define the "vibrancy of American culture."

The honorees, he said, are "world-class practitioners of diplomacy." Shaw, he explained, is a constant negotiator, bringing music out of cacophony. The Nicholas Brothers' fancy footwork should be used as a model for "shuffle diplomacy." And Comden and Green simply stand as "a model for lasting partnership."

It was more than a bit warming

in Washington's December nip to see the stars just a little bit in awe. When asked how he felt about being honored, Shaw said sincerely, "full of tears." Comden said she was so excited she could hardly speak. And Roy Acuff said in his typically modest manner that he felt "very lucky—there are a lot more people who deserve it more than me."

Acuff, 88, the first country music performer to be honored by the Kennedy Center, was country's first superstar. Starting in the late 1930s, he wrote and recorded hits such as "The Great Speckled Bird," "Wabash Cannonball," "Fireball Mail" and "Night Train to Memphis," and starred in the Grand Ole Opry for four decades. He was also a founder of Hickory Records and the major music publishing firm Acuff-Rose.

Comden and Green drew the most enthusiastic whoops at the ceremony Saturday night for their light, romantic musical comedies such as "Singin' in the Rain," "Bells Are Ringing" and "Wonderful Town."

"Kids, you make me proud," Jule Styne said with a touching sincerity that brought a standing ovation.

Perhaps the longest applause, however, went to Peck, honored after five decades as one of Hollywood's leading men and 55 major motion pictures, including "Gentleman's Agreement," "Twelve O'Clock High," "The Gunfighter" and "To Kill a Mockingbird," for which he won an Academy Award.

The Nicholas Brothers beamed as they were honored for their creation of an exciting hybrid of tap dancing and acrobatics. They started dancing at an early age, and by 1932, when Harold was 11 and

Payard was 18, they were hits at Harlem's legendary Cotton Club.

Shaw—"without a doubt the leading choral conductor in the United States," as Isaac Stern once said—brought with him his son Tommy, a high school freshman. The younger Shaw seemed to sum up the excitement that the stars held back or simply missed. "Tomorrow we're going to the White House!" he said.

The Kennedy Center Honors is not just a publicity extravaganza. Last year, the Kennedy Center netted \$1.65 million from it, and the Center expected to raise about the same amount this year. Tickets, which were sold out within 24 hours, ranged from \$75 to \$7,500.

The money is used primarily to fund the half-price tickets program for senior citizens, student and military personnel, and for educational programs.

The honors have been awarded since 1978 in recognition of talent, endurance, achievement and contribution to American culture. Past recipients include Katharine Hepburn, Dizzy Gillespie, George Burns, Bette Davis, Sammy Davis Jr., Lucille Ball, Ray Charles, Jessica Tandy, Beverly Sills, Lena Horne, Arthur Miller, Jimmy Stewart, Cary Grant, Helen Hayes, Leonard Bernstein, Aaron Copland and Tennessee Williams.

The Sunday performance gala and broadcast was produced by George Stevens Jr. and Don Mischner, and was taped for national broadcast on CBS Dec. 26.

NATION



Remembering Pearl Harbor

America commemorated the 50th anniversary of Japan's attack on Pearl Harbor. President Bush, a Navy carrier pilot in World War II, mourned his fallen comrades in a day of speeches in Honolulu. At left, Bush and wife Barbara cast wreaths into waters over the sunken battleship Arizona. A1 . . .

Agence France-Presse

December 10, 91

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