

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

FOIA Number:
2009-0166-S

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: 90641
Folder ID Number: 90641-006

Folder Title:
Wednesday, December 18, 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 [President Bush] [redaction of personal information] (2 pp.)	12/18/91	(b)(6)	
01b. Log	White House Telephone Log (Signal Switchboard) [redaction of personal information] (1 pp.)	12/18/91	(b)(6)	
01c. Note	Handwritten notes of Presidential Phone Calls with Pete Domenici Re: letter [redaction of personal information] (1 pp.)	12/18/91	(b)(6)	
01d. Note	From Rose [Zamaria] to President Bush Re: Boone Pickens telephone call [redaction of personal information] (1 pp.)	12/17/91	(b)(6)	
~~02. Memo~~	~~From James A. Baker, III to President Bush (5 pp.)~~	~~12/16/91~~	~~(b)(1)~~	~~S~~
03. Summary	Heads of State Correspondence Summary (1 pp.)	[12/91]	(b)(1)	C
04. Memo	From Lawrence S. Eagleburger to President Bush (1 pp.)	12/18/91	(b)(1)	S
05. Memo	From The Vice President to President Bush (2 pp.)	12/12/91	(b)(1)	
06. Memo	From Nicholas F. Brady to President Bush (4 pp.)	12/17/91	(b)(1)	S
07. Note	From Rose [Zamaria] to President Bush Re: various issues [redaction of personal information] (1 pp.)	12/18/91	(b)(6)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 18, 1991

Pinksheet Number: dw2411

OA/ID Number: 90641-006

Date Closed: 5/1/2014

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:



SCHEDULE OF THE PRESIDENT

Wednesday, December 18, 1991

7:30 am	<u>The President departs for Dallas, Texas</u>	South Lawn
9:40 am	<u>Arrives Dallas</u>	
10:00 am	<u>Arrives State Highway 360 for Signing Ceremony for Surface Transportation Bill and Tour of Construction Site (Demarest/Holiday)</u>	Dallas
11:00 am	<u>Arrives Hyatt Regency for Address to American Association of State Highway and Trans- portation Officials (Demarest/Holiday)</u>	
12:55 pm	<u>Departs Dallas for Washington</u>	
4:35 pm	<u>Arrives White House</u>	South Lawn
6:45 pm	B <u>Christmas Reception (Firestone)</u>	State Floor

UNP 12/17/91
6:00 pm

PRESIDENTIAL MOVEMENTS

Washington, D.C.
 Dallas, Texas
 LOCATION Washington, D.C.

DATE 18 December 1991

	TIME	MOVEMENTS
	0645	South Grounds
	0647	Oval Office
	0731	South Grounds
	0734	Depart South Grounds via Marine One
	0742	Arrive Andrews Air Force Base, Maryland
	0753	Depart Andrews Air Force Base via Air Force One
CST	0935	Arrive Dallas-Fort Worth Airport, Dallas, Texas
	0947	Depart Dallas-Fort Worth Airport via Motorcade
	0956	Arrive 360 Loop
	1043	Depart 360 Loop via Motorcade
	1103	Arrive Cafe II (LOW KEY)
	1201	Depart Cafe II via Motorcade (LOW KEY)
	1210	Arrive Hyatt Regency
	1240	Depart Hyatt Regency via Motorcade
	1253	Arrive Dallas-Fort Worth Airport
	1305	Depart Dallas-Fort Worth Airport via Air Force One
EST	1612	Arrive Andrews Air Force Base, Maryland
	1623	Depart Andrews Air Force Base via Marine One
	1632	Arrive South Grounds
	1638	Oval Office
	1723	Room 96, Old Executive Office Building
	1729	Room 9, Old Executive Office Building
	1734	Room 178, Old Executive Office Building
	1736	North Grounds

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.

DATE 18 December 1991

TIME

MOVEMENTS

[illegible]

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01a. Log	White House Telephone Log [President Bush] [redaction of personal information] (2 pp.)	12/18/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
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 WHITE HOUSE
WASHINGTON**

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 18 th , 19 91

	TIME		NAME	ACTION
	PLACED	DISC		
~~EXT~~	6:46 AM	6:49	MR. LEWIS WALKER	
INC	~~PM~~		(b)(6)	TLKD-OK 6:46 A.M.
OUT	AM			
INC	PM			
OUT	~~AM~~		SENATOR PETE V. DOMENICI	
~~INC~~	5:04 PM	5:11	(b)(6)	TLKD-OK 5:07 P.M.
OUT	AM			
INC	PM			
OUT	~~AM~~		WHITE HOUSE MEDICAL OFFICE WASHINGTON, D.C.	TLKD-OK WITH LIEUTENANT COMMANDER ELLEN M. SHEBUSKI
~~INC~~	5:12 PM	5:13	WHITE HOUSE ADMIN. EXT. 797	
OUT	AM			5:12 P.M.
INC	PM			
OUT	AM			
INC	PM			
~~EXT~~	~~AM~~		MR. DENNIS W. FREEMYER OFC: WASHINGTON, D.C.	CLEARED BY MRS. ROSE M. ZAMARIA
INC	6:06 PM	6:06	WHITE HOUSE ADMIN. EXT. 780	TLKD-OK 6:06 P.M.
OUT	AM			
INC	PM			
OUT	~~AM~~		WHITE HOUSE MEDICAL OFFICE WASHINGTON, D.C.	TLKD-OK WITH MAJOR ARTHUR P. WALLACE
~~INC~~	8:29 PM	8:29	WHITE HOUSE ADMIN. EXT. 797	8:29 P.M.
OUT	AM			
INC	PM			

Bush Presidential Library Photocopy

THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 18 th , 19 91

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	AM		MR. PETER TEELEY	
INC	8:35 PM	8:42	(b)(6)	TLKD-OK 8:35 P.M.
OUT	AM			
INC	PM			
OUT	AM		MRS. PEGGY SHEPLEY	
INC	9:08 PM	9:13	(b)(6)	TLKD-OK 9:09 P.M.
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01b. Log	White House Telephone Log (Signal Switchboard) [redaction of personal information] (1 pp.)	12/18/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
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 WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM
SIGNAL SWITCHBOARD

December 18, 1991

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	9:26 AM	9:31	Mr. T. Boone Pickens	Tlkd-ok
INC	PM		(b)(6)	9:29 AM
OUT	AM			via Secure Satellite
INC	2:19 PM	2:25	General Brent Scowcroft	Tlkd-ok
OUT	AM		Office, Washington, D.C.	2:22 PM
INC	2:19 PM	2:25	Secure Voice x7434	via Secure Satellite
OUT	AM		Reverend Billy Graham	LW with Ms. Mellott
INC	3:00 PM	3:16	Office, Minneapolis, Minnesota	3:02 PM
OUT	AM		612-338-0500	Tlkd-ok
INC	PM			3:14 PM
OUT	AM			via Secure Satellite
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM			

Bush Presidential Library Photocopy

Presidential Phone Calls



DATE: 12-18

TIME: 6⁴⁵

incoming/outgoing

WITH: Lou Waller

e/o Erickson

SUBJECT: ~~George~~ Peter Broadhurst

90

824 Wildwood La

Naples 33942

May Congr, Charlie, You're
one of Yale's greatest men
as a letterman

You're been a letterman
in dedication to your alma

FOLLOW UP: water

Bush Presidential Library Photocopy



~~X~~

W
December 18, 1991

Send today as a telegram

To: Louis Walker
c/o Erickson Boradbent
824 Wildwood Lane
Naples fLA, 33942

Lou please give Charlie O'Hearn my warmets best wishes along with the following message:

"Many Congratulations Charlie. You're one of Yale's Greatest Undergraduates as a 9 Letterman. And you have been a nine letter man in life. Noone has given more loyalty and effective service to his Alma Mater than you.
Barbara joins me in wishing you and yours a very Merry Christmas and a Great New Year.

George Bush

FROM THE PRESIDENT

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01c. Note	Handwritten notes of Presidential Phone Calls with Pete Domenici Re: letter [redaction of personal information] (1 pp.)	12/18/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

Presidential Phone Calls



DATE: 12-18-91 TIME: 5 incoming/outgoing

WITH: Pat Bonner

SUBJECT: 202 224-7090

(b)(6)

"A very nice" (stay here till 2:30)

offer anything to get re-election

Sent you a memo - get something

FOLLOW UP: Pat sent me letter yesterday - recommendations -

cut payroll taxes - give both employees and "yes" help

Presidential Phone Calls

Aboard Air Force One



DATE:

12-18

TIME:

9:30

incoming / outgoing

WITH:

Pickens

SUBJECT:

at ranch

we gave credit to Gault, Bobby,
Chesley, Mosbacher etc

FOLLOW UP:

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01d. Note	From Rose [Zamaria] to President Bush Re: Boone Pickens telephone call [redaction of personal information] (1 pp.)	12/17/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

12/17/91

Mr. President:

THE TELEPHONE CALL TO ~~XXXX~~ BOONE PICKENS (b)(6) was never completed because Mr. Pickens was not reachable by phone until 8 PM. Told his ranch manager that we would try in the morning.

You can reach him before 8:30 or 9 Texas Time. The earlier the better.

Rose

RECAP:

YOU WANT TO CONGRATULATE HIM -- AS CHAIRMAN OF EAGLE GALA, HE RAISED IN ONE DAY 6 MILLION DOLLARS. HAS NEVER BEEN DONE BEFORE. PLANS ANOTHER DAY OF PHONE BANKS AND HOPES TO RAISE A TOTAL OF 7 1/2 MILLION DOLLARS. PER BOBBY, THIS IS FANTASTIC!!!!

Presidential Phone Calls

Aboard Air Force One



DATE:

12-18

TIME:

3:17 P

incoming / outgoing

WITH:

Billy Graham

SUBJECT:

No Korea trip

OK

got him in Minneapolis

FOLLOW UP:

THE WHITE HOUSE
WASHINGTON

December 17, 1991

91 DEC 17 P6:51

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT 
SUBJECT: Billy Graham to Visit North Korea

I see no problem with Billy Graham visiting North Korea to preach or to lecture at a university there. If he desires, we would be happy to brief him on the current situation before he departs.

cc: Vice President
Chief of Staff

Thursday, December 18

1991

INCOMING CALL FOR THE PRESIDENT

FROM: SECRETARY BAKER

Incoming call from Secretary Baker. President spoke to him from 12:29 pm to 12:35 pm on line X6700 (Scowcroft listened in on the call)

B. Montagne

--- Wednesday --- December 18, 1991 ---

```
## ## ##### ##### ## ## ## ## ##
### # # ### ## ## ## ## ## ##
# ### ## ##### ## ## ## ## ##
# # # ### ## ## ## ## ## ##
## ## ##### ## ##### ## ## ##
```

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

Updated Each Morning At 11:50

(c) The American Political Network, Inc.

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

PEARLS OF WISDOM?

First Lady to file for hubby
today in NH. WH plan to avoid
Granite State boo-birds? (#8)

TWO DEMS IN NEW TERRITORY

Clinton first to venture to
OH. (#6) Kerrey courts
Hispanics in South TX. (#2)

WHAT AM I, DAVID DUKE?

BUCHANAN says state GOP
efforts to keep him off primary
ballots "condoned by" Bush
campaign, RNC. (#9)

DUKE: Off ballot in RI. OR,
CT likely to join list. (#10)

SENATE WATCH

CT: Johnson out. Jaekle
steps through open door. (#13)
IL: Dixon kix off bid. GOP
finally gets a candidate. (#14)

HOTLINE PRESIDENTIAL POLL

Preview of '92 edition. (#12)

HOLIDAY PUBLISHING SCHEDULE

This Friday's HOTLINE will be
the last of '91. The first '92
issue -- our special year-ender
edition -- will appear Jan. 3rd
on a computer screen near you.

SPOTLIGHT

TIME'S UP! (#1)

Today's BOSTON HERALD
cover features Bush v Cuomo
pic, ABC/POST poll with
Bush lead down to 5%, and
headline: "BIG TROUBLES
FOR BUSH." Inside betting
is that, by the 5PM Friday
NH filing deadline, Mario
Cuomo will be off the fence
and in the race. If so, all
scenarios will be tested:

-- Will NY \$\$ woes be an
Albany millstone or anti-
Washington launching pad?

-- Which will be more
telling, his quick tongue
or his quick temper?

-- Will his family values
overcome the interest in
his family ties?

-- Is next-door NH just
right for a guy who goes
home each night? Or is
door-to-door NH awkward
for an 800 pound gorilla?

(HEAR: WCBS radio 12/19 PM)

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

"At first I thought it was somebody doing an impression of
President Bush so I said, 'if you're really President Bush, tell
me about your economic plan,' and when he didn't say anything I
knew it was him." -- Jay Leno, "Tonight," NBC, 12/17.

THE APN BULLETIN BOARD

FROM TODAY'S GREENWIRE: After 10 yrs of mainly conservative appointments, federal courts become less enviro-friendly.
FROM TODAY'S DAILY REPORT CARD: A new study says hospitals discriminate against poor kids with no private insurance.
FROM TODAY'S ABORTION REPORT: Pro-life Dems work for place in tentless party; pro-choice GOPers fight for Bigger Tent.

HOTLINE/DATABASE INDEX

WHITE HOUSE '92

CUOMO: Who needs a budget solution anyway? (#1)
KERREY: Declares restaurants "now in compliance." (#2)
HARKIN: He and Bush suffer drop in Iowa approval. (#3)
BROWN: Takes it to NH, Clinton, networks ... (#4)
WILDER: Endorses health plan after call for belt tightening. (#5)
DEM ROUND-UP: Clinton, Tsongas, FEC. (#6)
BUSH POLL REAX: Staff uses 'R' word, he attacks filth on TV. (#7)
BUSH/GOP ROUND-UP: Spokeswoman search, Barb in NH, Skinner. (#8)
BUCHANAN: Blames GOP for being kept off SD ballot. (#9)
DUKE: Two's a crowd in primary states. (#10)
FUNNY PAPERS: Dow Jones Co. v. Trudeau? (#11)
ANNOUNCING THE HOTLINE PRESIDENTIAL POLL '92 (#12)

SENATE WATCH

CT: Johnson ducks Dodd challenge. (#13)
IL: At last, a GOP candidate. (#14)
IA: Grassley's numbers take a dip. (#15)
NY: "Today" profiles Ferraro. (#16)

HOTSPOTS

IA: Branstad drops below 50% for first time. (#17)
LA: Edwards recall "losing steam"; GOP won't back it. (#18)
VT: Mrs. Snelling looks at LG seat. (#19)

TV MONITOR (#20)

A HOLIDAY HOTLINE SPECIAL: Need a holiday gift for your favorite political junkie who has everything? Give a HOTLINE. Current HOTLINE subscribers can buy a year of HOTLINE as a gift (for new subscribers only) at the special holiday price of \$995 + delivery. Only 25 subscriptions are available at this price, SO CALL NOW! Past or current subscribers are not eligible. Ask for Valerie Syme at (703) 237-5130 for more.

? ? ? ? OVERLOOKED ? ? ? ?

Doug Wilder has called for all campaigns to have equal national time for their toll free numbers.
Cuomo line: 1-800-LB-GORILLA?

*1 CUOMO: WHO NEEDS A BUDGET SOLUTION ANYWAY?

As the NY budget crisis "appeared no closer to solution ... than it did weeks ago, Cuomo aides began arguing [he] should run for president anyway." NY Dem chair John Marino accused NY Senate GOPers of "playing presidential games with the budget" (Dicker, N.Y. POST, 12/18). N.Y. DAILY NEWS' Joel Benenson calls Marino's statement "laying the groundwork for Gov. Cuomo to mount a White House run without a budget accord." His comments "were part of a day that seemed devoted more to political posturing than real budget negotiations," as Senate GOPers passed "an incomplete version of their plan." Cuomo did say last week that "the one exception" to his linkage of running and getting a budget deal "would be if he believed the Republicans were intentionally stalling the negotiations to keep him out of the race." DAILY NEWS' "Waiting for Mario" feature (Day 68) notes Cuomo will appear on WCBS radio tomorrow night, 12/19. In '87, he announced he wouldn't run on the same show (12/18). Cuomo on recent baiting by Sen. Al D'Amato (R-NY) and other GOPers: "The more I hear their attacks, the more enticing the possibility [of running] becomes" (PORTSMOUTH HERALD, 12/17). Cuomo to reporters: "The [NY] nightmare, that is a reflection of the national nightmare ... You're not attacking [AR, NE, IA, VA, MA, CA]. You're only attacking my state" (Craig, SYRACUSE HERALD-JOURNAL, 12/17). N.Y. TIMES' Sam Howe Verhovek writes, "it is now clear" the Senate GOP "has embarked on a strategy of confrontation" with Cuomo. Even by the long-established NY "standard" of drawn-out battles, "there is a striking lack of progress" (12/18). USA TODAY's Adam Nagourney notes DNC chair Ron Brown repeated his call for Cuomo to make a decision "in the next few days," citing "slippage" in support for Cuomo. Both Brown and RNC chair Clayton Yeutter were interviewed by the paper (12/18). Dem consultant Ann Lewis on the possibility of Cuomo getting on the NH ballot, and then waiting to make a formal announcement: "My guess is that's the worst of all possible worlds." She said he "might be better off to launch a write-in campaign if he can't meet Friday's deadline" (BOSTON HERALD, 12/18).

OHIO: Cuomo "associates ... are laying the groundwork for a primary campaign in Ohio, readying the way for [his] anticipated entry" (Tom Diemer, Cleveland PLAIN DEALER). Ex-Rep. James Stanton (D-OH) and DNC Finance Dir./ex-Metzenbaum aide Don Sweitzer "are among those manning the phones in calls to Ohio's political elite," including Cleveland mayor Michael White, Council pres. Jay Westbrook, AG Lee Fisher, ex-AG Tony Celebrezze, and Cuyahoga Co. Commis. Tim Hagan (12/18).

BACK ATCHA: Sen. D'Amato in a letter to Cuomo: "Your decision to respond to my economic ideas with personal vitriol [see HOTLINE 12/17] is wrong. I demand an apology." Cuomo press sec. Ann Crowley said he wouldn't apologize, and anyway, D'Amato's letter was released to the press before Cuomo even got it: "The senator appears to have added bad manners to cheap politics" (N.Y. POST, 12/18).

*2 KERREY: DECLARES RESTAURANTS "NOW IN COMPLIANCE"

He said business partner/brother-in-law Dean Rasmussen "has corrected violations of federal child labor laws at the chain of eight [NE] restaurants." Kerrey and Rasmussen's Grandmother's chain was fined \$64,650 by the Labor Dept., primarily for

violating working-hour restrictions for teens. Kerrey: "The restaurants are now in compliance. ... Child labor laws are a legitimate collective effort to protect American children, and I fully support efforts designed to do that. ... My business partner feels it was sloppy management and it could have been avoided. I think it's a fairly small item, actually. ... It's the sort of thing businesses go through from time to time" (Swoboda/Stencel, W. POST, 12/18). Asked if the Bush admin. had a "political motive," Kerrey press sec. Steve Jarding said, "I don't think so." Jarding noted the Labor Dept. sweep hit "virtually every restaurant in [NE]" (N.Y. POST, 12/18). Labor Dept. spokesperson Steve Hofman "said that on being informed [12/16] that a business partly owned by Mr. Kerrey would be cited," Sec/Labor Lynn Martin "sought assurance that normal investigatory procedures had been followed before allowing Grandmother's Inc. to be cited" (N.Y. TIMES, 12/18). One Labor Dept. official said investigators "didn't hear that Sen. Kerrey was part owner of the chain 'until well into the investigation' and didn't try to confirm that because they 'didn't want to politicize' the enforcement effort." But Hofman said, "When we read the morning papers, that's when we learned that he has an interest in the company" (W.S. JOURNAL, 12/18).

NH: BOSTON GLOBE's Adam Pertman writes Kerrey's "extensive organizations may now have caught up to the one built by Tsongas" in the state (12/18).

SOUTH TEXAS: In a "brief visit to the Rio Grande Valley and Laredo, Kerrey promoted his national health plan, offered support for a free trade agreement with Mexico, proposed eliminating seven of 14 federal government departments and reducing the size of government 25 percent over the next 10 years" (Pinkerton, HOUSTON CHRONICLE). Kerrey's Health USA plan "would help" some "newly legalized immigrants who are stretching public health systems along the border to the breaking point." Kerrey was accompanied by Cameron Co. commis. Carols Cascos and state Sen. Eddie Lacio (12/18). State Sen. Judith Zaffirini, one of the 4 women and 5 Hispanics in the TX Senate, endorsed Kerrey, and Lacio said he would offer his endorsement at a mid-January Mexican-American convention. Kerrey also won the backing of Roy Benavidez from Brownsville, like Kerrey, a Medal of Honor winner. Kerrey presented Benavidez with a flag flown over the U.S. Capitol and called him "my hero." Kerrey made "one of the few specific promises of the campaign," saying he would make sure a V.A. Hospital is opened in the Rio Grande Valley. When told the nearest V.A. hospital is 500-miles away in San Antonio, Kerrey said that "broke my heart." Kerrey's brother Bill, fluent in Spanish, made the trip and is "planning several more campaign trips to this part" of TX (Kotok, OMAHA WORLD-HERALD, 12/18).

HEALTH TOUR: He "blitzed through Denver" 12/16 raising "thousands of dollars" and touting his health plan he "says will raise payroll taxes but ultimately save money for most workers" (Brian Weber, ROCKY MOUNTAIN NEWS). Kerrey also acknowledged his restaurant chain "does not provide health coverage to all its employees." He said many of the workers are "ineligible because they work too few hours or coverage is unavailable": "It illustrates the problem" (12/17). At a community clinic, Kerrey "said controlling health care costs is a key to national economic recovery," adding: "It's not just an economic issue, but a powerful humanitarian one" (Fred Brown, DENVER POST, 12/17).

DEBATE: Germond & Witcover write, "the real winner of the weekend may have been Kerrey, who entered ... with high

expectations among his followers that he would demonstrate the kind of personal charisma that would override his limited credentials. ... The result is a new conventional wisdom among political professionals that Kerrey may have some special zing, after all" (Balto. EVENING SUN, 12/17). Columnist Elaine Kamarck writes Kerrey "probably did himself the most good. He was forceful and telegenic ... showing quick instinct for the jugular" (N.Y. NEWSDAY, 12/17).

***3 HARKIN: HE AND BUSH SUFFER DROP IN IOWA APPROVAL**

The Iowa Poll, conducted 12/2-8 by the DES MOINES REGISTER, surveyed 806 registered voters; margin of error +/- 3.5% (12/16).

BUSH JOB			HARKIN JOB		
APPROVAL	NOW	10/91	APPROVAL	NOW	10/91
Approve	55%	69%	Approve	59%	71%
Disapprove	39	29	Disapprove	21	22
Unsure	6	2	Unsure	20	7

"Bush's new rating is the lowest he has received" in an IA poll since he took office. In 2/91, his approval was 82%. 63% also said they "believe the U.S. economy is worsening." Harkin's rating is his lowest since 12/89 when he stood at 57% approval (Thomas Fogerty, 12/16).

ON THE HOME FRONT: During a one-day swing through IA, Harkin urged Iowans to attend their precinct caucuses, noting his Dem rivals "are hoping you don't show up." He touted his second-place finish in the FL straw poll: "I think I did extremely well with very little resources. [31% was] an outstanding showing in Clinton's own backyard. He was the regional favorite" (Steve Webber, Dubuque TELEGRAPH HERALD, 12/17). Harkin also "said he was puzzled by the attention focused on Cuomo": "I don't see any New York miracle or anything. ... He's going to have to go to [NH], pound the pavement, knock on doors and talk to people, and he's going to have to debate us" (John Kirsch, CEDAR RAPIDS GAZETTE, 12/17). He was "corralled" by an elderly woman at a Des Moines senior citizen center, who told him "a group of her friends would oppose him because of his public use of profanity" (David Yepsen, DES MOINES REGISTER, 12/17). L.A. TIMES' Rick Du Brow, reviewing the debate, writes Harkin "registers more as a frontier judge than a presidential contender" (12/17).

NH: Manchester UNION LEADER editorial credits ex-Sen. John Durkin (D-NH), Harkin's NH co-chair, with "adding a little humor to the dour, insufferably dull political posturing on the Democratic Left." Durkin: "Bush makes Marie Antoinette look like a hands-on corporate manager. You would never find Tom Harkin in a J.C. Penney store trying to end the depression by buying athletic socks." Durkin "apparently ... hopes that a little 'lightening up' would better serve the frenzied Harkin, who thinks that taking off his jacket, rolling up his shirt sleeves and bellowing constitutes an intellectual exercise" (12/18).

***4 BROWN: TAKES IT TO NH, CLINTON, NETWORKS ...**

In NH, Brown told Manchester Senior High students: "I've not come to get along and go along but to confront a corrupt status quo that does not serve your future" (Bill Lambrecht, ST. LOUIS POST-DISPATCH). "Later, by mentioning his rivals by name, Brown made it clear that he intends to turn up the volume on his pointed message he used to seize the stage" at the 12/15 debate. He first "sought to puncture Clinton's claim of education

expertise" by citing a newspaper report stating more than 40% of AR public school students "are unprepared for their curriculum." During an interview, Brown also "cited" Clinton and the DLC "as an example [of] money's corruption of politics": "Bill Clinton is the link, the channel between the money from the few and the politicians." He also "challenged" Cuomo to adhere to his own \$100 contribution limit: "We're all waiting. ... Is he going to limit his contributions to \$100? ... Why can't he break the cycle?" (12/18). He also said NBC and CNN "were part of a group trying to perpetuate a corrupt political system" by objecting to his 1-800 pitch on the air (John Milne, BOSTON GLOBE). When asked how he would reform the media's role, Brown "proposed month-long free access" to TV for "major" candidates, and "letting challengers have free mailings" (12/18). WASH. POST's Lloyd Grove profiles him under subhead, "California's Former 'Governor Moonbeam Going for a New Image in His Latest Campaign'": "The contradictions suggested by Brown's run ... and evoked by his remarkable past ... are so glaring, indeed so stupefying, that it seems almost beside the point to mention them" (12/18).

DEBATE: Analysts are "divided" over whether he "helped his cause" at the 12/15 debate. "But many key [Dems] expressed concern that Brown is damaging his competitors, and perhaps his party's prospects against President Bush, by tagging all the [Dem] aspirants as servants of special interests. To some of these [Dems], Brown's unconventional campaign is starting to look like a drive-by shooting." Clinton media man Frank Greer: "He's a political terrorist who is very destructive to the [Dem] Party and the country, ultimately, because he is taking the focus off George Bush" (Ronald Brownstein, L.A. TIMES, 12/17). NEWSDAY's Elaine Kamarck: "For the next debate the other candidates should invest in an ejector seat" for Brown. He "showed how the entire group was diminished by the company they keep" (12/17).

*5 WILDER: ENDORSES HEALTH PLAN AFTER CALL FOR BELT TIGHTENING "One day after presenting a gloomy state revenue forecast and predicting additional painful budget cuts," Wilder "endorsed a \$70 million strategy to provide basic health care to every poor and uninsured [VA] child by the end of the decade" (Bonnie Winston, Norfolk VIRGINIAN-PILOT). He did not say whether his '92-94 budget would include the \$12M "needed to start the project" (12/18). WASH. POST's John Harris reports the budget will contain an unspecified "foot in the door" toward the start-up costs: "That was more commitment than Wilder has shown with some other initiatives of his administration, many of which amount to vague pronouncements of intentions, with few specifics." His announcement "met with some bewilderment, largely because it was so at odds with statements he made as recently as [12/16] about the need for further belt-tightening in government" (12/18). Wilder 12/16 "questioned the state's continued ability to even maintain its current Medicaid program" (PILOT, 12/18). RICHMOND TIMES-DISPATCH editorial reacting to his leaving the door open on a tax increase: "Whoa. It's flashback time." In '90, he "legitimately" criticized the Bush budget deal; now Wilder "seems to be asking for the very same kind of budget 'compromise' on the state level" (12/17).

ME TOO: "In light of" Brown's use of his 800 number on the 12/15 debate, Wilder called on NBC to "grant free air time for the other debate participants to solicit contributions" (Wilder release, 12/18).

*6 DEM ROUND-UP

CLINTON: Germond & Witcover write Clinton "apparently took all this adulation seriously. Five hours after the straw poll, he behaved like a front-runner in the [debate], holding himself pointedly 'above the fray.'" But he and his advisors are "making a serious mistake if they imagine that a meaningful or lasting pecking order has been established among the [Dems], except perhaps [in FL], on the strength of the glowing press reports on his performance in the past few weeks" (Balto. EVENING SUN, 12/17). ... He "got an enthusiastic reception" from the OH Dem "Chairman's Circle" 12/17, but came away with no public endorsements (Robert Miller, AP/Cleveland PLAIN DEALER). Clinton was introduced by ex-Gov. Dick Celeste (D); both Celeste and Sen. John Glenn (D-OH), up next year, praised Clinton, but made no commitment to him. Clinton also attended a reception on behalf of OH AG Lee Fisher (D), who is trying to pay off a \$100K debt from his '90 race. He has not named an OH chair, but Case Western U's Bill Marshall will be his OH "delegate selection coordinator" (12/18). OH primary is 5/5. ... More than 1,000 Arkansans attended his "Winter Wonderland" fund-raiser that netted him \$800K+. Arkla Inc. exec/ ex-AR Dem chair Skip Rutherford called it "the largest windfall for a single fund-raising event in state political history." AR Dem chair George Jernigan: "It shows that the people of Arkansas are behind his candidacy." ARKANSAS DEMOCRAT-GAZETTE's Noel Oman calls it "another apparent momentum gatherer for Clinton." AR GOP vice chair Muskie Harris, an "unexpected guest": "The governor is definitely the front-runner. ... (But) I don't think he can beat George Bush" (12/17).

TSONGAS: BOSTON HERALD's Joe Battenfeld reports his debate statement that he's "never taken" PAC money was "not accurate." Tsongas spokesperson Peggy Connolly clarified, "The context of that debate was the presidential race." As a 10-year member of Congress, he did "accept thousands in PAC donations" (12/17). L.A. TIMES' Rick Du Brow on his debate performance: "A smart guy, but comes across more as someone who would be a good Cabinet member or presidential advisor" (12/17). N.Y. NEWSDAY's Elaine Kamarck: "[He] has good things to say but looks awful" (12/17).

MONEY: N.Y. TIMES' Richard Berke reports "newly adopted" FEC regulations "have greatly loosened restrictions" on primary state spending. The changes "will allow candidates ... to pump unusually large amounts of money into the early states" (12/18).

WHOA! N.Y. TIMES' Leslie Gelb, in a column critical of the 12/15 debate's format, writes the debate "did only one useful thing: It showed that [Brown and Wilder] aren't up to the level of the other candidates and should bow out now" (12/18).

*7 BUSH: POLL REAX; STAFF USES 'R' WORD; HE ATTACKS FILTH ON TV A "significant reversal" (BOSTON GLOBE, 12/18). A "U turn" (USA TODAY, 12/18). A "sharp reversal" (N.Y. TIMES, 12/18). A "stunning about-face" (N.Y. DAILY NEWS, 12/18). As NBC's Brokaw reported it, the WH "began using the 'R' word for the first time" yesterday (12/17). WH Press Sec. Fitzwater admitted "for all practical purposes, the recession continues" (PHILA. INQUIRER, mult., 12/18), later explaining, "People have adopted the word recession as the description of the pain that they feel. We just simply adopted the word as well to let people know we understand the depth of the problem" (Greg McDonald, HOUSTON CHRONICLE,

12/18): The new WH communications approach came the same day the ABC/WASH. POST poll showed the president's disapproval numbers had risen to 50% (see HOTLINE 12/17) and new Commerce Dept. numbers guaranteed that 1991 would show the lowest new construction of single-family homes and apartments since WWII (WASH. TIMES, 12/17) -- and on the eve of today's POST report that a \$300 tax rebate is under consideration at the White House (12/18), today's anticipated major GM layoff announcements, and today's trip by Mrs. Bush to NH to enter the president in the 2/18 primary (mult.). Exactly one week before Christmas, Brokaw summed up the announcement: "Yes, Virginia, there is a recession" (NBC, 12/17). ABC's Peter Jennings: "The [WH] has publicly acknowledged what most people in the country have understood for some time: The recession, whatever you call it, is not over by any means. ... The President has been obliged to abandon a political position under the pressure of public opinion." ABC's Brit Hume: "A distinct shift in posture" (12/17). PBS' Jim Lehrer: "Fitzwater conceded today the recession was still on" (12/17). CBS' Dan Rather: "Evidence continues to build that the U.S. economy has been in a recession, and is still in a recession. Mr. Bush's campaign advisers have been telling him he really can't deny it any longer." CBS' Susan Spencer: "A decided change of tune on the economy at the [WH] today" (12/17). CNN's Charles Bierbauer: "With Republicans and Democrats, Congress, the media, and the public all looking for some presidential action, the political pressure on President Bush may be even greater than the economic urgency" (12/17).

REAX TO BUSH REAX: "Rocked by a free fall in his popularity" (Maureen Santini, N.Y. DAILY NEWS, 12/18), the president found himself blistered from both sides of the political spectrum. Both NBC and CNN quot Pat Buchanan: "Ronald Reagan's party lost the issue of tax cuts to the party of Teddy Kennedy, and Tom Foley, and George Mitchell. Un-bee-livable" (12/17). Balto. SUN and DALLAS MORNING NEWS also quote Buchanan: "I find it astonishing ... the State Department can put together an economic program for the Soviet Union in five days and Mr. Bush can't put together a program for his own country in five months" (12/18). Referring to "George Herbert Hoover Walker Bush" (DALLAS MORNING NEWS, 12/18), the DNC was equally harsh: "Not since Herbert Hoover has a president so completely misunderstood the nation's economic troubles" (HOUSTON CHRONICLE, 12/18). Dem consultant Ann Lewis on the polls: "It is a stunning set of numbers for Bush. It's hard to remember a president falling that far that fast" (BOSTON HERALD, 12/18). In the White House and outside, some GOP voices, while expressing concern were more kind: New CoS Skinner admitted the White House had "a communications problem" (W.S. JOURNAL, 12/18) and promised overtime White House work on the economy including Saturday (Balto. SUN, 12/18); GOP pollster Glen Bolger concluded "they've heard the wake-up call" (USA TODAY, 12/18); Bush advisor Craig Fuller -- "The thing to remember is that [Bush] doesn't react to one set of polls, to one set of economic statistics ... he's had a game plan to develop an economic plan and take it to the American people early next year" (FOX-TV 12/18); Senior Bush adviser Charles Black said while the campaign did not count on an economic upturn and that "he can't appear to be passive without a plan," with a plan "they give you the benefit of the doubt" (PHIL. INQUIRER, 12/18); but Bush friend and ex-Rep. Bill Frenzel (R-MN) said "I don't think there's anything they can do that will have much effect before the election" (SUN, 12/18).

BUSH ATTACK ON FILTH: In a series of satellite TV interviews with ABC affiliates, Bush was highly critical of condom giveaways in schools to promote safe sex and stop AIDS: "I don't think that just passing out condoms, giving up on lifestyle and giving up on family and fundamental values is correct" (N.Y. POST, 12/18). He also was critical of TV airing of sex trials: "I think the American people have a right to be protected against some of these excesses" (WASH. POST, 12/18). N.Y. POST's Deborah Orin reports it all in the context of the president's poll ratings having "slid to the lowest in his presidency." Dem pollster Geoffrey Garin: "In bad economic times the social issues become the last refuge of scoundrels. Basically, we're back to the flag factory. But they can't do flags again so they're trying to do condoms" (12/18).

ANOTHER "POTENTIAL PROBLEM FOR BUSH": GOP pollster Bolger warns of negative coverage from his upcoming trip to Australia and Asia (USA TODAY, 12/18).

*8 BUSH/GOP ROUND-UP

BUSH-QUAYLE '92: The campaign has begun interviewing for press secretary -- "preferably a woman." Under consideration: Trade Rep. Carla Hills spokesperson Victoria Clarke, WH dep. press sec. Judy Smith, ex-RNC spokesperson Leslie Goodman, Interior Dept. spokesperson Steven Goldstein, Gov. Campbell (R-SC) spokesperson Tucker Eskew (Schwartz/Devroy/Dewar, WASH. POST, 12/18). William Rusher writes, "Matched against Mario Cuomo (say), John [sic] Carville ... [DNC chair] Ron Brown, and the liberal apparatchiks who gave us the verb to 'Bork,' Mr. Bush's team resembles the proverbial goldfish in a tank of barracuda." Rusher does praise Teeter as a "superb pollster and analyst of public opinion," and Charles Black as "one tough guy" (W. TIMES, 12/18). RNC chair Clayton Yeutter previews Bush's economic plan in USA TODAY (12/18).

NH: First Lady Barbara Bush will fly commercial to NH today to file papers for the Bush campaign and "pay the \$1,000 fee. [She] was tapped for the job because there was fear her husband might be booed in the economically distressed state, sources said" (Schwartz/Devroy/Dewar, W. POST, 12/18). Headline over Manchester UNION LEADER on House Small Business subcmte on business opportunities and energy chair Ron Wyden's (D-OR) request for info from the SBA concerning the disputed loan program started in NH: "It's called politics." UNION LEADER on Bush: "Perhaps he'll come the day after an announcement that he sees in the future the award of a lucrative contract for the Portsmouth Naval Shipyard?" (12/18). UNION LEADER's Jack Kenny writes, "Scrooges and Grinches, mostly Democrats, have complained that the blessings bestowed upon the Granite State this Christmas season are a direct result of President Bush's desire to impress us with his beneficence some 60 days before our presidential primary. The coincidence is remarkable, but what is truly amazing is the way the President's generosity can be underwritten by a government \$4 trillion in debt" (12/18). Sec/Educ. Alexander was in NH to "kick off President Bush's 'America 2000' education program and to laud Derry for its educational innovation." Alexander denied the trip was "politically motivated. But he predicted Bush's political opponents will steer clear of criticizing Bush on the issue": "I don't think the Democrats will bring [education] up because the President is doing exactly what most of them would do if they were in that position"

(DiStaso, UNION LEADER, 12/18). In coordination with the Alexander visit, Bush placed a call to NH educators and school children. "It was tough but" WH press sec. Marlin Fitzwater "kept an almost straight face when he announced" that the NH primary "had nothing to do with" the call (W. POST, 12/18). With enviro atty Larry Rockefeller considering a run for VP in NH, Quayle "is not planning to do so ... because the [WH] neither wants to test Quayle's political strength nor 'create a sideshow that would force them to pour energy into that race when they want to use it all against Buchanan'" (Pertman, B. GLOBE, 12/18).

SKINNER: WH CoS Sam Skinner promised to "create a 'team philosophy' to support President Bush in dealing with the nation's economic problems" (John Mashek, BOSTON GLOBE). He said "he contemplates no resignations on the staff, but he acknowledged that the White House has not been effective in communicating Bush's message or his priorities" (12/18). WASH. TIMES's Frank Murray reports he "suggested staff changes might be in the works -- without naming names" (12/18). Asked if OMB dir. Dick Darman, "widely suspected of running his own domestic policy operation, was aware of the new premium on teamwork, Skinner had high words of praise for [Darman]. But he said, twice, that Darman 'is one of those people, one, who is seeking advice' to help formulate options for Bush, and that the president, not Darman makes the decisions" (Ann Devroy, W. POST, 12/18). Skinner "denied 'reining in' Mr. Darman but said he would be coordinating some of Mr. Darman's Capitol Hill lobbying" (Murray, W. TIMES). Skinner met with Sen. Min. Leader Dole, House Min. Leader Michel and House Min. Whip Gingrich on Capitol Hill and lunched with HHS Sec. Sullivan (mult., 12/18).

*9 BUCHANAN: BLAMES GOP FOR BEING KEPT OFF SD BALLOT

He "blasted" the GOP for its efforts to keep him and Duke off state primary ballots: "The tactics of the party are doing more to build up Duke than they are to confront him." He also "complained" GOP leaders were "beginning to treat me like David Duke" by excluding him from the ballot in SD (Julie Malone, COX NEWS/ATLANTA CONSTITUTION, 12/18). Buchanan: "If it was not instigated by the Bush campaign, it is now being condoned by the Bush campaign, and we're not going to sit still for it. ... It's going to be an issue up in [NH] where they do believe in fair play and open debate" (COPLEY/SAN DIEGO UNION, 12/18). He also said he could "knock out David Duke in two rounds of open primaries": "If I can find a couple of primaries where I can meet David Duke face to face and demonstrate who is the authentic conservative and who is bogus, it's much better for our party [and] the national debate" (Hallow, W. TIMES, 12/18). NH: BOSTON HERALD header: "Big troubles for Bush." Buchanan, "planning to return" to NH this week to "pound away" at Bush, "accused President Bush of ducking [NH] voters" by sending Quayle as a "surrogate campaigner": "If the president thinks he can send someone else up to [NH] to explain why he walked away from those people, he's mistaken." He also claims NH voters -- "suffering from a devastating recession -- will demand that Bush campaign there frequently": "[Bush] is over in Kennebunkport, which is only a few miles away from [NH], and he will not come over" (Joe Battenfeld, 12/16). Buchanan, who ruled out a third party run, also said that "mainstream Republican efforts to belittle and isolate his candidacy will only help him convince [NH] voters that [Bush] is part of an out-of-touch political establishment seeking to guard its influence at the expense of

the public" (Farrell, BOSTON GLOBE, 12/18). SD: He accused SD GOP officials of misleading him "about what was needed to qualify for the ballot" and asked the RNC "to help him overturn the decision." The SD GOP said Buchanan "failed to gain enough support at delegate-selection meetings to get on the ballot." RNC spokesperson B.J. Cooper contended "by the time Buchanan sought help from" RNC chair Clayton Yeutter, "it was done and over": "I don't know if a phone call from the chairman could have changed things." Buchanan also charged that the RNC "had refused to share its political research and lists of party donors" (ATLANTA CONSTITUTION, 12/18). The RNC said it would "provide him with opposition research on an ad hoc basis" (Dan Balz, W. POST, 12/18). NC: He opened his NC HQ and attended a Raleigh \$-raiser, but "failed" to win any big-name endorsements. Sen. Jesse Helms (R-NC) and the National Congressional Club "are remaining neutral" (Christensen, Raleigh NEWS & OBSERVER, 12/18).

*10 DUKE: TWO'S A CROWD IN PRIMARY STATES

Duke workers are continuing efforts to "secure a place for him" in the MA primary, as New England "began to shape up as one of the prime battlegrounds for Duke's access to the ballot" (Adrian Walker, BOSTON GLOBE). MA and RI have chosen not to place Duke's name on the ballot "automatically" and CT officials say they "will very likely follow suit" and "force Duke to try to petition his way onto primary ballots by gathering the necessary signatures." At one mall in MA, "most of the voters who signed denied supporting [Duke] but said they believe it is undemocratic to deny him the opportunity to take his program before the public." Duke dir. Howie Farrell: "We were planning on conducting a standard campaign in [MA] but this has brought us into the area earlier than we expected." He must collect the 2,500 signatures by 12/20 (12/18). MA "suddenly has become a key state for 'Super Tuesday,' a Northeast breakthrough to match success Duke hopes for in Southern states" with 3/10 primaries. Farrell said Duke will campaign in MA "at least twice" and that they would have 4,000 signatures "by evening" (Woodlief, BOSTON HERALD, 12/18). RI: Sec/State Kathleen Connell (D) "determined that Duke would not be placed on the primary ballot" after "consulting with state GOP leaders, who were asked to submit the names of those they considered legitimate presidential candidates." GOP chair Robert Rendine: "I am not going to be party to making it easy for that kind of element to be placed on the ballot. ... If he wants to come to [RI] and draw the battle lines we'll blow him away." CT: Sec/State Pauline Kezzer (R) said she too is "prepared to block efforts to place Duke on the ticket, citing a state statute that a candidate must be 'generally or seriously advocated and recognized according to reports in the national or state news media.'" Duke would need to get 4,508 signatures, 1% of CT's GOP, to get on the ballot (GLOBE, 12/18). OR: GOP chair Craig Berkman said he "will ask" Sec/State Phil Keisling (D) "not to include" Duke on the primary ballot": "I think his candidacy is pathetic. To legitimize a person spreading hate and fear would be an insult to the intelligence of the people of Oregon." OR law also requires the Sec/State to list candidates who are "generally advocated or is recognized in national news media." The alternative is for Duke to collect "at least 1,000 signatures of registered voters in their party in each of the state's five" CDs. Keisling, who said he will "wait until mid January to decide," said Duke "plays a relatively major role in national politics and has to be

considered." He added that he "would not list Duke just to embarrass Bush" or the OR GOP. Berkman noted that "people willing to sign a petition should be aware that it is a public document and that names of those signings could be published." He added that the GOP itself "would not publish the names" (Hortsch, Portland OREGONIAN, 12/17).

*11 FUNNY PAPERS: DOW JONES CO. V. TRUDEAU?

W.S. JOURNAL editorial details protests from Universal Press Syndicate, the service which distributes Garry Trudeau's "Doonesbury," regarding an 11/21 "Aside" titled "Garry Vanilli." The JOURNAL had noted an "Entertainment Weekly" report that Trudeau collaborated with Don Carlton, the anonymous "inker" of the cartoon, to produce the final version. While denying the syndicate's suggestion that Trudeau is not a public figure, the JOURNAL admits "we somewhat overstated the case. We were using what an experience satirist might recognize as hyperbole, caricature, lampooning or burlesque" (12/18).

*12 ANNOUNCING THE HOTLINE PRESIDENTIAL POLL '92

Four years ago, The HOTLINE sponsored the first ever public daily tracking poll of the presidential race from Labor Day to Election Day 1988 -- 20,000 interviews in all. We also presented nightly polling for the New Orleans Times-Picayune at the GOP convention. These surveys, analyzed by The HOTLINE and conducted by KRC Communications Research, were remarkably accurate. The fall tracking for media organizations in exclusive markets proved to be the closest of any when matched to the final vote count. The polling at the time of the New Orleans convention was first to find Dukakis' post-Atlanta lead had vanished.

In 1992, we hope to again present the most accurate and in-depth study of the American electorate. This time, The HOTLINE Presidential Poll will be conducted jointly by The Tarrance Group and Greenberg-Lake with analysis by The Tarrance Group's Ed Goeas (R), Greenberg-Lake's Celinda Lake (D), and The HOTLINE's Doug Bailey and Bob Balkin. We will be polling nightly at both national party conventions and then tracking from Labor Day to Election Day -- seeing the same quality of data relied on by the campaigns themselves.

Media outlets (and private organizations) who wish to subscribe should call Molly Pratt at 703/237-5130. Only one print and electronic media organization per market. First come, first serve. For questions or information -- or to lock in your market -- call Molly Pratt now at 703/237-5130.

(c) 1991 by the American Political Network, Inc. Any reproduction -- by photocopy, FAX, or other form -- in whole or in part, is a violation of federal law and is strictly prohibited without the consent of APN. All rights reserved.

Phone: 703/237-5130

FAX: 703/237-5149

Publishers: Doug Bailey, Roger Craver

Staff Writers:

Editor-in-Chief: Robert Balkin

Vincent Fusco

Managing Editor: Stephen Bilafer

Phil Goldberg

Associate Editor: Ned Lilly

Melodie Jackson

=====

SENATE WATCH =====

*13 CONNECTICUT: JOHNSON STAYS OUT OF SENATE FRAY

Rep. Nancy Johnson (R-06) said she will not challenge Sen. Chris Dodd (D), "increasing the likelihood that two relatively unknown Republicans will battle for the party nomination" (Michele Jacklin, HARTFORD COURANT). Johnson, "who had been heavily courted by state and national GOP leaders for a run against Dodd, would have been favored to win the nomination." She cited "unfinished business in the House," where she sits on the influential Ways and Means Cmte. "Seizing the opportunity, ex-House Min. Leader/'90 LG nominee Robert Jaekle (R) "said he is in the race and expects to announce his candidacy formally in January." He is "better known" than state Rep./Gulf war vet Chris Burnham (R), the only announced candidate, and will "probably be given the early edge." Burnham and Jaekle are "considered social moderates and fiscal conservatives and thus will be working from nearly identical political bases." GOP money, "all but dried up while Johnson was considering her future, will probably start flowing, though Burnham and Jaekle will have a much harder time raising money than Johnson would have." Jaekle "said he is convinced he can wage a competitive campaign for less than \$2 million" (12/18). Burnham "said he welcomed" Jaekle's bid and added "financial reports due out next month will show he's raised an amount 'in the six figures.'" CT GOP chair Richard Foley said the two "will certainly provide a contrast to each other and to Dodd" (BRIDGEPORT POST, 12/17).

*14 ILLINOIS: AT LAST, A GOP CANDIDATE

Facing a 12/16 filing deadline and "vowing to shake things up and not just shake hands," ex-Reagan WH aide/atty Richard Williamson (R) launched his bid for Sen. Alan Dixon's (D) seat by "skewering" Dixon's image as "Al the Pal" and "asserting that Dixon has done nothing substantive in his two terms": "Dixon is part of the problem. He is not part of the solution" (Thomas Hardy, CHICAGO TRIBUNE). IL GOP leaders stood with Williamson as he announced in Chicago, "lending an air of credibility and solidarity" to his late entry into a "suddenly competitive" campaign. GOPers present: Gov. Jim Edgar, LG Robert Kustra, Sec/State George Ryan, House Min. Leader Lee Daniels, IL GOP chair Albert Jourdan and Cook Co. GOP chair Richard Siebel. The show of support "was important ... because it can help diminish the perception of Dixon's invincibility. Ironically, Republicans have helped foster that image over the years by cozying up" to Dixon and "being loathe to criticize him." Williamson had previously dropped plans to challenge Dixon, but after the entry of Dixon primary challengers, Cook Co. Recorder of Deeds Carol Moseley Braun and atty Al Hofeld, and the urging of Pres. Bush, he jumped in. "Sidestepping suggestions" that the entry of Dem primary challengers "helped change his mind," Williamson "made it clear he will run as the outsider," saying, "the status quo is absolutely unacceptable." Though he "criticized" PACs, Williamson said he "probably" will accept PAC donations (12/17).

DIXON FORMALLY LAUNCHES BID: Announcing 12/17, Dixon "turned against President Bush and appealed to voter's economic fears" (Hardy, CHICAGO TRIBUNE). He "posed himself as a tough, partisan combatant" to Bush, "who he said is out of touch with

Americans' concerns": "I led the fight," Dixon "asserted repeatedly," on a wide range of legislative initiatives from jobs to health care. Dixon "dedicated his re-election to the middle-class voter": "I'm just one senator. I don't win all the time, but I'm in every fight [for IL]" (12/18). Picking up on Braun's charge that he is "insensitive to women's issues," Dixon also called his record on women's issues "super, absolutely super." On Williamson's anti-incumbent theme: "The people know when it's time to throw you out, just like they know when it's time to put you in or keep you" (Springfield STATE JOURNAL-REGISTER, 12/18).

***15 IOWA: GRASSLEY'S NUMBERS TAKE A DIP**

The Iowa Poll, conducted 12/2-8 by the DES MOINES REGISTER, surveyed 806 registered voters; margin of error +/- 3.5%. Tested: Sen. Charles Grassley (R) (12/16).

JOB APPROVAL	NOW	10/91
Approve	62%	78%
Disapprove	17	14
Unsure	21	8

***16 NEW YORK: "TODAY" PROFILES FERRARO**

NBC's Lisa Myers: "If cats have nine lives, politicians are certainly entitled to more than one, at least that's the way Gerry Ferraro sees it ... she's trying to come back from the political dead to win a seat in the U.S. Senate. ... The brassiness is still there, so is the pizzazz and the humor, but this Ferraro is a little more distant, more guarded, less spontaneous than the one we met seven years ago ... and there is an edge, not bitterness, just an edge, as though she's braced for an attack." [Clips of Ferraro at the '84 Dem convention] Myers: "This little known congresswoman from Queens had little clue this dream would soon turn into a nightmare." Ferraro: "I knew what I was getting into ... I was ready to put on the gloves with any of the guys ... what they did was take my husband, pulled him into the ring and instead of using gloves they were using knives." Myers: "There were questions about her husband John Zaccaro's business deals, the family taxes, financing of her campaign, even suggestions her husband had ties to the mob. ... Still, even friends were surprised when she decided to jump back into the political arena." Ferraro, on what changed her mind: "I'm not running for president, I'm running for the Senate ... my family has already experienced the glare and now we're getting on with our lives." Myers: "Ferraro clearly has political baggage ... others think Ferraro, even with baggage, is the perfect Democrat to go toe to toe with a street fighter like D'Amato" ("Today", NBC, 12/18). Other Dems: AG Bob Abrams, Rep. Bob Mrazek (D-03), NYC Comptroller Elizabeth Holtzman. Mrazek fund-raisers in NY this feature House Speaker Tom Foley and Ways & Means chair Dan Rostenkowski (Mrazek release, 12/12).

D'AMATO: NEWSDAY's Sydney Schanberg writes, "Selective justice -- what happens when prosecutors choose to pursue some cases and ignore others -- can be a nasty thing." He notes that NYC U.S. Atty Andrew Maloney (R), who prosecuted convicted Assy Speaker Mel Miller (D), is a friend of -- and "owes his job" to -- D'Amato. But Maloney "insists ... that this friendship has no effect on his staff and how they proceed" (12/17). AP's Kim Mills reports D'Amato said he was "suprised and honored" to hear a rumor that he may be under consideration for the post of Sec/Trans., vacated by WH CoS Sam Skinner. But he added, "I

===== HOTSPOTS =====

*17 IOWA: BRANSTAD DROPS BELOW 50% FOR FIRST TIME

The Iowa Poll, conducted 12/2-8 by the DES MOINES REGISTER, surveyed 806 registered voters; margin of error +/- 3.5%. (12/16). Tested: Gov. Terry Branstad (R).

JOB APPROVAL	NOW	10/91
Approve	42%	52%
Disapprove	51	46
Unsure	7	7

Branstad, "plagued by state budget problems and a sluggish economy," received his "lowest" approval rating in his 9 years as gov. "It also continues a precipitous 27-point slide" in his approval rating since he was rated at 69% 2/91. "Until now," his lowest approval rating was 51% in 5/84 and 7/86. Contributing to his low rating, 53% say the IA economy is "deteriorating" (Thomas Fogarty, REGISTER, 12/16).

*18 LOUISIANA: EDWARDS RECALL "LOSING STEAM"; GOP WON'T BACK IT

LG-elect Melinda Schwegmann (D) predicted the move to recall Gov.-elect Edwin Edwards (D) "is losing steam and probably will fail" (Anderson, N.O. TIMES-PICAYUNE). Schwegmann, who would replace Edwards if he were recalled: "I am staying out of it entirely. ... We need to look up and be positive about our state, and I just don't think that is the way to do it right now." A recall would require more than 700,000 signatures within a six-month period. Backers of a recall said they will start circulating petitions 1/13, adding that "their effort is picking up steam" (12/17). LA GOP chair Billy Nungesser announced the LA GOP would not support the recall (ALEXANDRIA DAILY TOWN TALK, 12/16). Nungesser made that statement as some GOPers "took the first step to oust" Nungesser by filing a "resolution that would let party officials go outside" the governing board for a replacment. Nungesser, "criticized" because of recent GOP losses, favored Rep. Clyde Holloway (R-08) over defeated Gov. Buddy Roemer (R) in the recent gov. election and was the subject of "unsigned fliers" at a central cmte meeting asking members to "consider whether [he] is capable of leading the party." He called the fliers the "work of 'four or five scumbags' who cannot get the votes to oust him" (TIMES-PICAYUNE, 12/15).

*19 VERMONT: MRS. SNELLING LOOKS AT LG SEAT

Barbara Snelling, widow of ex-gov. Richard Snelling, "killed Republican hopes that she might run for governor" by announcing 12/16 for LG (Andrea Zentz, BURLINGTON FREE PRESS). AG Jeff Amestoy (R): "It came as a real shock." Dems, "on the other hand, were quietly relieved." Gov. Howard Dean (D), who moved up from LG upon Gov. Snelling's death: "I think she would have been a very tough candidate." Snelling commissioned a poll, and "declined to give specific numbers," but "said her high-favoribility rating surprised her" (12/17). Snelling's announcement will allow Dean "to breathe a little easier." However, ex-state Sen. Peter Welch (D), who was "seen as having the advantage" in the LG race, now "faces an opponent with solid name recognition" and "strong financial support." Welch: "The issues are of more concern to me than the name of the opponent" (RUTLAND DAILY HERALD, 12/17). Meanwhile, the VT GOP is without

a gov. candidate in '92. Sec/State James Douglas (R) will "consider a bid" (HERALD, 12/17). UVM's Garrison Nelson: "Gentleman Jim has been deferring to others for years. Now it's his turn, if he really wants it." Douglas: "I hope to make the decision soon, but not hastily." Some Dems have "openly taunted" Douglas to run. VT Dem exec. dir. Jennifer Wallace Brodeur: "He's been saying he wants to run for governor for the last eight years. ... So we're waiting for him. Come and run, Jim" (FREE-PRESS, 12/17).

*20 THIS MORNING: ABC's "GMA" hosted ex-Amb to USSR Arthur Hartman and ex-Sec/Def. Caspar Weinberger on the break-up of the Soviet Union. NBC's "Today" hosted Yeltsin aide Vladimir Kozhemakin and WASH. POST's Robert Kaiser on the new Soviet commonwealth. "CBS This Morning" hosted TX Dept/Trans Dir. Arnold Oliver on the proposed Transportation bill, and Consumer Federation of America's Gene Kimmelman and Pacific Telesis' Ron Stowe on the future of long-distance phone service. "FOX Morning News" hosted Dem consultant Victor Kamber and Bush adviser Craig Fuller on the president, "Flashpoints" author/L.A. TIMES' Robyn Wright, Steptoe and Johnson's Sarah Carey on investing in the new Soviet commonwealth, and American U's James Malloy and Georgetown's David Goldfrank on the Soviet Union (12/18).

LAST NIGHT: NBC and ABC led with the WH's new stance on the recession. CNN, CBS and PBS' "MacNeil/Lehrer" led with the Soviet break-up. "M/L" hosted ex-Sec/State Cyrus Vance on Yugoslavia and N.Y. TIMES' Anthony Lewis on the Bill of Rights. CNN's "Crossfire" featured TV producer Barney Rosenzweig and American Forum in Hollywood's Steven Carter on "The Hollywood Left." ABC's "Nightline" hosted neo-Nazi leader Gottfried Kuessel and Nazi-hunter Beate Klarsfeld, on the growing neo-Nazi movement in Germany (12/17).

HEALTH CARE: CNN's Jeff Levine: "From the doctor's office to the statehouse, the people of [NH] are becoming more concerned about the high cost of medical care. And health care reform is sure to be one of the major issues in the upcoming presidential primary, the first in the nation. Gov. Judd Gregg is heading President Bush's campaign here." Gregg: "I don't believe we're at a crisis situation. We do have a problem, and a fairly significant problem, as does the rest of the country." Levine promised a look at each Dem candidates' health platform (12/17).

YUKS: Jay Leno on his DC visit: "8:30 in the morning I get a call from President Bush. ... At first I thought it was somebody doing an impression of President Bush so I said, 'if you're really President Bush, tell me about your economic plan' and when he didn't say anything I knew it was him." On the recession: "The recession is starting to effect Hollywood. Over at Wheel of Fortune they're charging for consonants too." On Santa: "A lot of people are upset for the way Santa is used in [beer] commercials. ... If you think about it he really is a good spokesman for beer ... he's got a red nose, he's got a pot belly, he wears the same clothes everyday and he only works one day a year. ... Several Senators said they didn't believe in Santa Claus anymore ... sure, now that Charles Keating's in jail he won't be handing out presents for a really long time." On the Kennedys: "When I was a kid my parents used to tell me if I sit upstairs and was really quiet I could hear Santa on the roof ... see, that's why Santa likes to land to the Kennedy estate in [FL], he can make all the noise he wants, nobody down there ever hears anything." On the Palm Beach trial: "It took the jury only 77 minutes to decide the case ... it's lucky for them Mario Cuomo didn't have jury duty, they'd still be there." On the debate: "Tom Brokaw asked each of the candidates who their top two advisors would be ... Clinton named two politicians, Kerrey named two professors, and Brown said he would pick Jeanne Dixon and the Amazing Kreskin. ... Did you see Harkin hold up that dollar bill ... I think he was trying to impress the other

1
5
candidates with how much money he's raised so far. ... I thought all six did very well in their interviews, but the big test comes next Sunday night ... the swim suit competition." On Buchanan: "He's expected to get his support from the far, far right wing ... but they're a small group, really ... it's just the nine Supreme Court justices" ("Tonight", NBC, 12/17). David Letterman on the debate: "It gave us a little insight about how these guys work ... I don't think [Jerry Brown] did himself any good because at the end he said, sort of announced ... that all the other candidates were bickering like a bunch of spoiled Klingons" ("Late Night", NBC, 12/17).

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

"Yes, Virginia, there is a recession."

-- NBC's Tom Brokaw on WH spokesman Marlin Fitzwater's
use of the "R" word, 12/17.

#

CLASSIFIED

12/18/91

UNCLASSIFIED UPON
REMOVAL OF CLASSIFIED
ATTACHMENTS

AW

5/1/14

REPORT FOR 12/18/91

Wednesday - December 18, 1991

Notes: Pinkerton/Jennifer & The "R"
word (recession)

JABIII memo on Moscow meetings with
Yeltsin, Gorbachev, Shaposhnikov
(Defense) and Shevardnadze

- P To DALLAS (AF1 photo with Fred
McClure)
- P Signing Ceremony, Surface
Transportation Bill & Tour of
Construction Site
American Association of State
Highway and Transportation Officials
Christmas Party dropbys
- P *Christmas Reception (photo with
Rostenkowski)

Louis Walker re: Charlie O'Hearn
Pete Domenici re: politics/payroll
taxes

Pete Teeley

Peggy Shepley (note follows on
12/19/91)

Boone Pickens (see Holt notes of
12/16/91)

Billy Graham re: Korea trip (see
12/16/91)

Quayle memo on automobile trade with
Japan

Nick Brady/Growth Strategy for Japan
Trip

Kilberg report on Jewish Community
priase for U vote & Skinner/Jewish
supporter contact

Portal to portal transportation for
Counselor to the President

Judd Gregg memo on helps to New
Hampshire

Kaufman re: Koop willing to
surrogate speak

Porter memo on Education President
Assessment

Rose notes on Jimmy Walker/Nanval
Aviation Choral Group/Pete Teeley
call/Rostenkowski gifts for GB and
Doro

Lee Iacocca re: upcoming Japan trip
Glenn Anderson on his not seeking
reelection

Skinner/National Governors'
Association congrats for
transportation bill

Dick Pearson re: GB recommends
Skinner for Alfalfa Club

Jim and Jennifer Pinkerton congrats
Jean McKee/old note of his about
GB's Dad

Julian Niemczyk/Tom Moon book about
the OSS

Family card signed to James Chambers
Kaufman/Ken Khachigian re: USA Today
interview with Judy Keen

Joe Ellis thanks for tee shirt

John Lilienthal re: GB recommends

Paul Davies for Bohemian Club

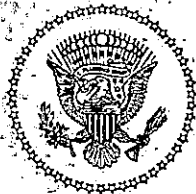
Nancy Clark Reynolds/GB thanks Eddy
Shorty for carved ornament

Ray Scott address confirmation

HHS Highlights--the Bush/Sullivan
record

The Heritage Lectures/Fifty Years
After Pearl Harbor/by Richard Allen

12-18-91
Date



67

1 Pipkinton - O'Connor
✓ Crossman
✓ Picture - Oval

2 "R" word
✓ recession -

Bush Presidential Library Photocopy

D'AMATO STRIKES BACK AT CUOMO

NEW YORK -- Sen. D'Amato on Tuesday unleashed a snarling letter demanding that Gov. Mario Cuomo apologize for having called him one of President Bush's "attack dogs."...

The blowup was sparked Monday when D'Amato travelled to Albany to call for tax cuts and a cap on state spending. "If the governor can't take care of the budget of New York -- which is totally out of control -- how's he going to undertake the economic problems of the nation?" D'Amato had commented. Cuomo retorted that D'Amato "sounds like he's been signed up by President Bush as an attack dog."... But D'Amato insisted that his budget criticism of Cuomo "has nothing to do with the White House."...

D'Amato also figured Tuesday in speculation that he was among the Republicans being considered by the White House for Transportation secretary. D'Amato said that he hadn't been offered the job and that he didn't know "if I'd accept it if I was offered."

(Frank Lombardi, New York Daily News)

TAKING DIFFERENT ROADS ON HIGHWAY BILL

President Bush on Wednesday will sign a \$151 billion federal transportation bill at a construction site in Euless, Texas, a small town between Fort Worth and Dallas but nestled closer to the firmer than the latter. The location is appropriate, considering how much special highway project money went to Fort Worth: \$77 million, about one-third of all the special project money going to Texas. Dallas received nothing....

The White House has said that Bush is signing the bill in Texas because the American Association of State Highway and Transportation Officials is meeting there. But Texas newspapers and politicians have speculated that his main purpose may be to help smooth the political waters in the Fort Worth area, where 14,000 people have been put out of work by cutbacks in the defense industry's A-12 aircraft and F-16 programs.

(Don Phillips, Washington Post, A21)

BUSH CRITICIZES TV TRIALS, CONDOM GIVEAWAYS

President Bush complained Tuesday about the "filth and indecent material" that Americans are exposed to through televised trials. Bush also criticized programs to combat AIDS by giving condoms to teenagers and clean needles to drug addicts. He said such efforts undermine traditional values.

(AP, Washington Post, A19)

RULES ON DISABILITY BENEFITS EASED FOR HIV-INFECTED PEOPLE

The government published new rules Wednesday that will allow people infected with the AIDS virus to qualify for disability benefits at an earlier stage in the progression of the disease than under current rules.

The change, effective immediately, covers people who have not reached retirement age and apply for disability benefits under the Soviet Security program or the federal Supplemental Security program for low-income people. (Spencer Rich, Washington Post, A2)

As Ratings Drop, Bush Concedes Economy Ailing

For weeks, President Bush's political advisers have been urging him to acknowledge what most voters know firsthand -- the economy isn't getting any better. Tuesday, he finally did.... "I think it's a function of the advice he's now getting," said Rep. Armey. "He's paying heed to what many of us House Republicans were saying -- namely that people around the country were very concerned about the state of the economy." (Judy Keen, USA Today, 7A)

BUSH: 'TIMES' WILL BE BETTER

President Bush adopted a new economic strategy Tuesday and guaranteed "times will be better" if Congress passes health care and economic relief bills with his name on them....

Samuel Skinner also signaled readiness to compromise with Democrats as necessary after Bush lays out his plan in the annual speech to a joint session of Congress....

Bush revealed in several interviews the first major policy turnabout under Skinner. The President spoke of a potential for compromise instead of standing his ground on tax issues and blaming Democrats in the elections if Congress blocks his proposals.

(Frank Murray, Washington Times, A1)

**BUSH MAY SPEED GROWTH PLAN
Aide Sees 'Shift In Emphasis'**

The stubborn economy and falling approval ratings may force President Bush to reveal all or part of his growth package sooner than planned, Charles Black said Tuesday.

"A lot of people are advising to do it earlier or in a separate speech," said Black. "And that has not been rejected out of hand." Black spoke after the White House did a U-turn on its public approach to the slump. (Judy Keen, USA Today, 1A)

**ECONOMISTS TAKE DIM VIEW OF USING
TAX CUTS TO STIMULATE THE ECONOMY**

It's two and a half times the food stamp program. It's roughly the size of the entire budget of the Transportation Department. It's nearly as big as the contributions the Persian Gulf countries made to cover the cost of Operation Desert Storm.

It may be dubbed the Great Tax Giveaway of 1992, and it's one of the latest ideas under consideration by the Bush Administration and other Republican leaders. It would give \$200 to \$300 to every person who files a tax return this spring, or a total of \$30 billion....

But economists agree that the measure would have virtually no stimulative effect on the economy. Most Americans say they would use most of a tax cut to pay off debts; little would be spent....

Some lawmakers also cautioned that by declaring an economic emergency the Administration could spell doom for the budget agreement. As Rep. Panetta put it, "To put \$30 billion on the credit card is to signal virtually every member of Congress that the time may be ripe to bring in their favorite emergency."

(News Analysis, Steven Mufson, Washington Post, A18)

BUSH GETS THE MESSAGE THAT ECONOMY IS HURTING HIM

President Bush has finally gotten the message that the stalled economy is hurting him badly and is struggling to convince the American people that he can solve the problem.

"We're aware of the problem, we feel its effect and we're going to do something about it," said a senior White House official....

A senior official said Bush realizes he must come up with an economic program to rally people behind him because simply admitting the problem and promising to fix it is not enough. "Unfortunately, that's not what gets the people saying 'great going,'" the official said....

White House aides admit Bush has a communications problem because when he identifies strong elements in the economy, he is seen as being out of touch with people who are suffering. "It is a tough and delicate line," David Demarest said in a recent interview. (Steve Holland, Reuter)

White House Says Lingering Recession Is Hurting Bush

The White House conceded Tuesday that the nation's recession lingers and openly acknowledged that it is hurting President Bush in the polls....

According to one official, the White House decision to use the word "recession" and to more openly discuss polls reflected the arrival of Samuel Skinner and Robert Teeter.

The new stance, however, did not come off without a hitch. Concerned that some might interpret the change in rhetoric as confirmation that the economy was suddenly worse, Administration officials put out the word that that was not the case.

"Technically we are not in a recession," one official said. "The point is we really want people to know the President realizes a lot of people are out of work and people are hurting. The polls made everybody see that there may be some lingering doubts about that."....

Patrick Buchanan accused Bush of contributing to New Hampshire's troubles by "going back on his word on taxes." "I find it astonishing to read in The New York Times that the State Department can put together an economic program for the Soviet Union in five days, and Bush can't put together a program for his own country in five months," Buchanan said at a news conference. "That's why he's got trouble." (Kathy Lewis, Dallas Morning News)

White House Acknowledges Gloom And Doom In Economy

Confronted with rapidly falling popularity ratings for the President, the White House is dramatically shifting its tone on the recession and acknowledging that no economic recovery is in sight....

The White House has "stopped listening to the economists and started listening to the voters," Republican pollster Glen Bolger said. "This is a significant recognition...that their previous strategy to ignore the recession had failed."

"Republicans all over the country have been telling them that this recession is real and they have to stop pretending otherwise," Bolger said in an interview. (Michael Shanahan, Newhouse)

~~SECRET~~
OFFICE OF
THE SECRETARY OF STATE
WASHINGTON

Handwritten: 12-18

December 16, 1991

MEMORANDUM FOR THE PRESIDENT

FROM: JAMES A. BAKER, III *JAB*
SUBJECT: MONDAY'S MEETINGS IN MOSCOW

I had a long and rather poignant day here in Moscow. All told I spent nearly ten hours in separate meetings with Yeltsin, Gorbachev, Shaposhnikov (the Defense Minister), and Shevardnadze. Some of the meetings had a surreal quality, especially the meeting I had with Shaposhnikov. I don't know how else to describe a meeting that was very interesting, but one in which the Defense Minister talked about putting in place a common defense policy in a commonwealth where there were going to be ten separate foreign policies.

Another way to describe this day is that it was one filled with contrast. Yeltsin was clearly feeling his oats and chose to make a strong political statement by meeting me in the Kremlin and having Shaposhnikov sitting in his delegation. Gorbachev, on the other hand, was subdued, but surrounded by his two original partners -- Shevardnadze and Yakovlev. Each of whom helped him launch perestroika, glasnost and new thinking, but each of whom criticized him at different times and were estranged from him at different points as well. Nevertheless, they were both at his side as his role is coming to an end. It was an interesting reminder that these are men of character and conviction and can be counted on to stand by their beliefs (and their friends) even when times are tough.

Yeltsin is much more the politician than any of these men and right now he's riding the wave of a revolution. The critical question is can he translate revolutionary enthusiasm into changed behaviors and real improvements on the ground. The odds are very long and if Shevardnadze is to be believed, things are almost certain to get worse before they get better. In addition, I continue to worry that there remains too much of a tendency to focus on broad political arrangements and to continue to ignore the importance of dealing with the real problems that people are experiencing.

Let me turn to a summary of each of the meetings. DECLASSIFIED
PER E.O. 13526

~~SECRET~~

- 2 -

Meeting with Yeltsin

Yeltsin left very little doubt that he's the one in charge. Russia, he declared to me, is the successor state to the Soviet Union. He told me it would take over all embassies and foreign trade missions. He said it will assume the Soviet Union's seat on the Security Council and he asked for our support in doing so. He said it will absorb the Foreign Ministry, the Interior Ministry and at least part of the KGB. And he implied that while the Minister of Defense would be answerable to the new Council of Presidents, in reality, when it came to nuclear questions, he would answer to the President of Russia.

To be sure, Yeltsin was reassuring on the command and control question, making it clear that there would be a single, highly unified command and control structure. Indeed, he said, such a structure was currently in place, and it would continue to be in place.

On other security questions, he agreed (with Kozyrev and Shaposhnikov nodding approvingly) to enter into discussions with us on dismantling and disabling warheads, on safe storage of weapons, on joint planning for contingencies involving nuclear accidents, and on follow-up on our deMIRVing initiative given our willingness to limit our high yield warheads on our SLBMs.

He also agreed to everything I wanted him to say publicly on issues of control of nuclear weapons; destruction and elimination of nukes; prevention of proliferation; and cooperation in strengthening Russia's export controls on weapons, technology and knowhow; and CFE and START. His public posture on each of these questions should make it more likely to be able to get similar public commitments from all of the other Republic heads that I will be seeing in the next two days.

For his part, Yeltsin wants us to recognize Russia soon. He'd like us to be first, but at a minimum, he wants us to recognize Russia within weeks. He also wants us to take Russia off the list of "communist states" and he wants the founders of the Commonwealth to be admitted to CSCE. He would also like to see the defense alliance of the Commonwealth eventually "fused" or "blended" with NATO.

When we talked about economic issues, I had the sense that he was neither particularly focused nor particularly aware of what was needed at this stage. At one point, I emphasized that for us to be able to help make humanitarian assistance meaningful (and to be able to justify it more easily at home), we needed to be assured that the assistance would be well targetted and would really get to the people who needed it. In response, he said we've put an infrastructure in place and we'll be able to take advantage of this humanitarian assistance.

~~SECRET~~

- 3 -

The only problem with that statement is that there's absolutely no evidence of such an infrastructure. As a result, I pressed him to give us a list of city and oblast level officials who could help coordinate and work with our people on the ground to help ensure assistance was distributed to the places that most needed it. It's clear to me we'll have to get many more people (largely from private voluntary organizations) on the ground to oversee and police the distribution. It is interesting that Yeltsin too reacted positively to the idea that we might want to put US military personnel into the provision and distribution of humanitarian assistance.

money
road
or
bad?

Yeltsin did not raise the stabilization fund idea, perhaps because he felt he would not get a favorable response. But he did say they will need help to get through this winter and to avoid an explosion. Notwithstanding that observation, and his own acknowledgement that it might be costly to host the Middle East multilaterals here in Moscow, his desire to have Russia step out on the world stage is such that he's absolutely determined to have the talks here the end of January.

✓ To sum up, Yeltsin is a very strong politician, who knows that relations with us are very important, he also knows how to talk to the "street", but for now I'm not sure he's listening to it.

Gorbachev Meeting

Gorbachev was somber in the meeting, but generally relaxed and very straightforward. He made it clear that the Commonwealth was not a good approach, but at this point there was no alternative to it. As such he felt an obligation to make it work and he would give his all in that direction. Doing that was more important than his views, his role, or even his career. If a Commonwealth didn't work, then the result would surely be disintegration and total chaos. That would mean that all the good in the political changes that had been brought would be swept away. He simply couldn't let that happen if it could be avoided.

He confirmed that he and Yeltsin have worked out an agreed transition timeframe to move from the union structures to those of the Commonwealth by the middle of January. Presumably that's the point at which he would step aside. In his mind the most important thing he could do is to create a process that provides for constitutional change and constitutional succession. To do that, he's inclined to have the Supreme Soviet meet and declare the end of the union and the end of the Presidency and the advent of the Commonwealth.

He worries, at this point, that none of the tough questions have really been thought through. He said his discussions with Yeltsin make clear that questions like citizenship, different interpretations of borders and the relationship between the central military and republic militaries have not been resolved. He's going to try and flesh out the Commonwealth by talking with all of the various heads of the emerging states.

Bush Library Photocopy
George Bush Handwriting

~~SECRET~~

- 4 -

He said very clearly that we can help out best by not rushing to offer recognition to each of the states. That would buy a little time and increase the chances that details can be fully developed.

He also made it clear that the planned price liberalization made our humanitarian assistance on a large scale extremely important. As he sees it, the surge in prices is unlikely to be accompanied by any increase in supply and as a result we may see a real explosion. He thinks our conference idea is essential to produce international involvement, and the kind of food assistance that will be necessary to avert this explosion.

Shaposhnikov Meeting

Shaposhnikov also appeared quite relaxed and interestingly enough, he exuded a certain confidence that he would in fact be able to work out the details on the defense arrangements. He described a set of arrangements that sounded very much like they had been drawn directly from the NATO model. Indeed, he told me that he'd spent a lot of time studying NATO's organization in the last few days, as he proceeded to sort out the defense alliance that the members of the Commonwealth would conclude. He said he would be the commander-in-chief of the defense alliance and he would be answerable to the Council of Presidents. He said he would control all strategic forces, which included air forces, most naval forces, air defense forces, space, strategic rocket forces, reconnaissance forces, and all nuclear weapons.

He said there was a general understanding on conventional forces, except with the Ukraine. He made it clear that he was working on that issue with Kravchuk and they had agreed that steps towards creating an independent Ukrainian force should not be precipitous. That said, he said he still had work to do in this area. He said he would continue his discussions and he would be going to Alma Ata and would seek certain amendments to the Commonwealth agreement there.

Shevardnadze Meeting

Perhaps the most emotional meeting of the day was with Eduard Shevardnadze. He was matter-of-fact about the prospect of his leaving the Ministry after having so recently returned to it. His concern was much less for himself and much more about what he sees coming. He believes the combination of price liberalization, massive and new unemployment, and the exhaustion of reserves by the end of January may very well provoke an explosion in February. He believes that help from the outside is desperately needed particularly because he worries about extremists being on the rise. The only way to head off extremists and to give people a reason to believe in the democrats is to begin to get enough goods and food available so people begin to think that things can get better.

~~SECRET~~

- 5 -

Having thought about it overnight, he said he was even more strongly convinced that having joint US-Soviet military efforts on food aid could give people a reason for hope. And he said that right now they very much need such a symbol.

He concluded by saying he would do all he could to help preserve the course that we had launched in US-Soviet relations. He would work with all the leaders of the new states to keep them on the right course. He closed by saying he had no regrets about coming back or about being with Gorbachev now since, despite it all, Gorbachev was still his friend.

Concluding Thoughts

Two issues really leap out from today's discussions. First, is the issue of recognition. It's important and we need to have a considered approach. Norway has already acted to recognize Russia. I think we want at least to see how the remainder of my discussions go here and also see what emerges from Alma Ata and whether the Commonwealth agreement is any further clarified. Second, is the issue of humanitarian assistance and getting it here as soon as possible; indeed, getting it launched even before the Conference in January. That may require using US military assets and perhaps also NATO military assets. At this point, I'm inclined to suggest this in Brussels on Thursday. Clearly, humanitarian assistance is only a near-term response. We will need to work with Yeltsin and the others to get them to work with the World Bank and the IMF both to embrace the program they jointly work out and to provide a basis on which World Bank/IMF resources become available for their longer term economic needs.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03. Summary	Heads of State Correspondence Summary (1 pp.)	[12/91]	(b)(1)	C

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
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

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Memo	From Lawrence S. Eagleburger to President Bush (1 pp.)	12/18/91	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
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

MATERIALS FORWARDED TO THE PRESIDENT
December 18, 1991

ACTION

1. Letter to David Rockefeller re John Macomber
2. Letter to Dr. John Shelton re defense expenditures and economic performance
3. Second special message for FY 1992
4. Scowcroft memo re Beeville, TX concerns over Chase Field closing
5. Executive Order, "Delegation of Authority Regarding the Naval Petroleum and Oil Shale Reserves"

CLASSIFIED

INFORMATION

1. Memo to the President from Judd Gregg regarding New Hampshire Issues (background material for the 12/19 interviews with WMUR)
2. Briefing paper for WMUR-TV Filming schedule throughout the day on 12/19

REMARKS

SCHEDULE

1. Trip Notebook for Dallas, Texas, 12/18
2. And accompanying briefing papers for 12/19



THE VICE PRESIDENT
WASHINGTON

December 12, 1991

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT

SUBJECT: U.S. Automobile Trade Issues with Japan

The automotive trade (cars and auto parts) accounts for three-fourths of our bilateral trade deficit with Japan and your visit provides an opportunity to show the American people that we are doing our part to boost our exports.

This can be accomplished by:

- ① 1. convincing Japanese leaders -- from industry and government -- that we need increased American content in Japanese cars built in the U.S., and real access to the Japanese market for U.S.-built cars and parts; and
- ② 2. announcing an interagency effort, with industry involvement, to help make the U.S. automotive sector more competitive.

ITEM 1. I pressed Japanese leaders on the automotive trade issue in May. Since then, six major Japanese producers have projected doubling their purchases of U.S.-made auto parts by 1994. These announcements should be welcomed but you should emphasize that more must be done.

- Most of this projected \$7.5 billion increase in auto parts purchases will be for Japanese cars being built in the U.S.; this could generate as many as 100,000 jobs for American workers but will have minimal impact on the bilateral trade deficit. To decrease the trade deficit, the Japanese must break into the special "keiretsu" relationships among their Japanese auto parts suppliers and auto manufacturers, and significantly increase the quantity of American-made parts imported into Japan.
- For maximum benefit to American workers, and political credit to the GOJ, Japan should accelerate the timetable for increasing its U.S.-made auto parts purchases (instead of waiting until 1994), and shift as much business as possible to traditional American suppliers now.

- Detroit's right-hand drive autos (available from Chrysler soon, from GM in 1994) must have genuine access to the Japanese market -- far less red tape, acceptance of mutually agreed inspection standards, and vigorous marketing by Japanese dealerships.

ITEM 2. Cabinet and agency heads should be convened to explore the negative impact of regulation, barriers to U.S. exports, internal sources of non-competitiveness, and new technologies developed in federal government laboratories which might enhance the quality and performance of American cars.

The Japanese tell us that high-quality American-built vehicles will not be prevented from entering the Japanese domestic market. A comprehensive, high-level review of automotive competitiveness could convince both Japan and our business leaders from Detroit that the Administration is serious about restoring the long-term health of the U.S. automobile industry.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06. Memo	From Nicholas F. Brady to President Bush (4 pp.)	12/17/91	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
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.

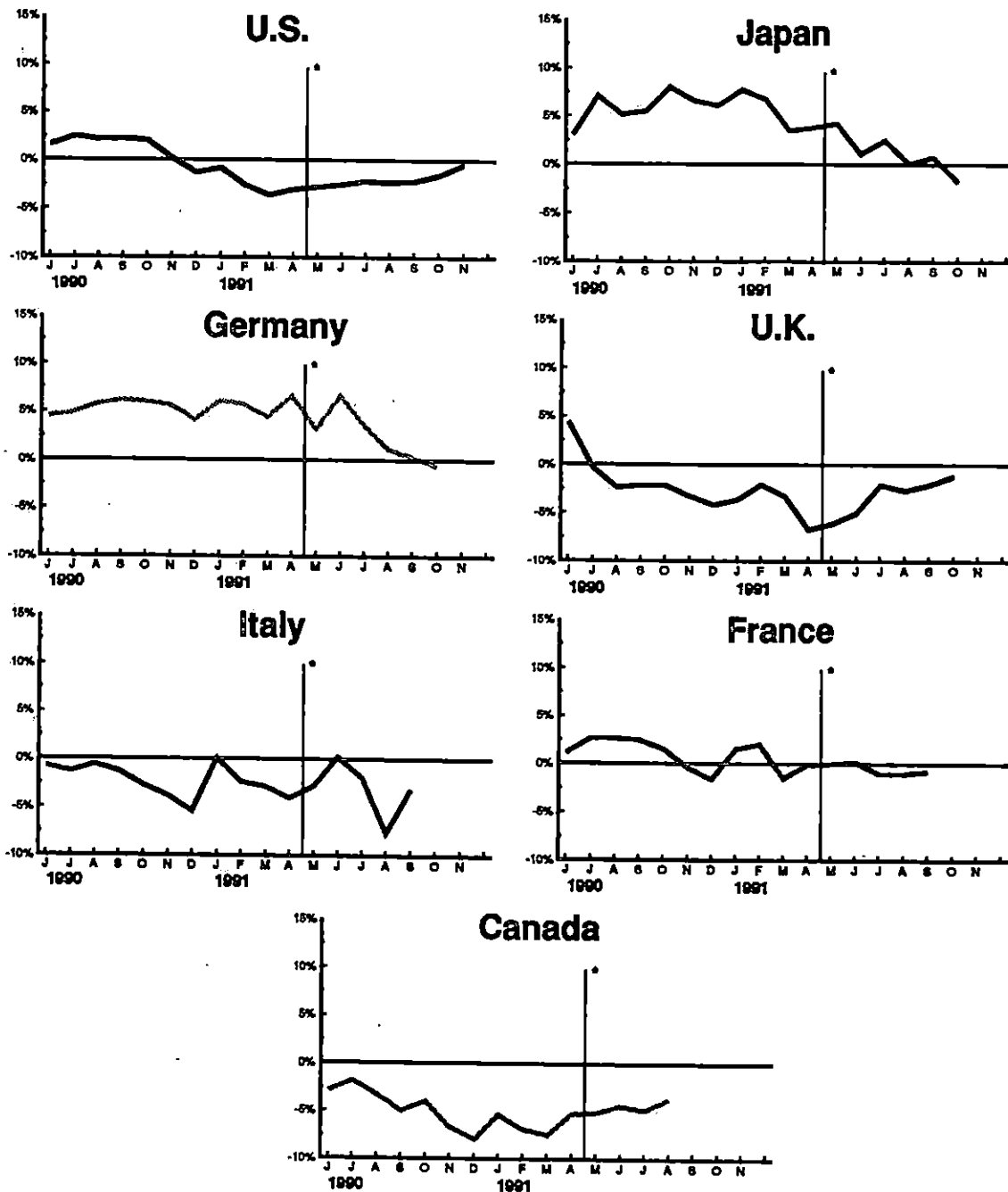
PRM. Removed as a personal record misfile.

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

Industrial Production, Jun. 1990 - Nov. 1991

(Percent change, current month
over same month of previous year)



* Secretary Brady trip to Europe.

Source for Japan, U.K., Italy, and France is DRI; for Germany, Bundesbank; for US, FACE; for Canada, Financial Attache.

Treasury/OASIA
IMI:mg 12/17/91

THE WHITE HOUSE
WASHINGTON

MR. PRESIDENT:

Responses are being
prepared.

December 18, 195

Thank you. 9

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST *AD*
ASSISTANT TO THE PRESIDENT FOR COMMUNICATIONS

FROM: BOBBIE KILBERG *BK*
DEPUTY ASSISTANT TO THE PRESIDENT
FOR PUBLIC LIAISON

KATHY JEAUVONS *KJ*
ASSOCIATE DIRECTOR FOR PUBLIC LIAISON

SUBJECT: Praise from the Jewish community for the
United Nations vote to repeal Resolution 3379

We thought you would like to see the attached letters from the Jewish community praising you for your leadership in the repeal of the United Nations Resolution equating Zionism with racism.



CONFERENCE OF PRESIDENTS OF MAJOR AMERICAN JEWISH ORGANIZATIONS

Shoshana S. Cardin
Chairman

Malcolm I. Hoenlein
Executive Director

December 17, 1991

The Honorable George Bush
The White House
Washington, DC 20501

Dear Mr. President,

We write to express our profound gratitude for your leadership in the effort to repeal UN Resolution 3379. It is difficult to put into words the emotions we felt when the final vote was flashed on the electronic board. The sense of elation was not because the UN had rectified a wrong that it perpetrated sixteen years ago; rather, we rejoiced at seeing justice triumph largely as a result of your commitment which was lived up to fully and in every sense by the members of your Administration. This achievement again underscores the significance of the special relationship between the United States and Israel and the values shared by these great democracies.

We know that many people deserve credit including Vice President Quayle, Secretary Baker, Assistant Secretary Bolton, Ambassador Pickering and their associates. We are going to be paying tribute to you and all of them at a special luncheon on December 18. But in advance of that public recognition, we wanted you to know of our appreciation and admiration. As we discussed at the meeting in New York this was a unique window of opportunity. But even then we could not have anticipated the results achieved yesterday. We are proud to have been part of this historic undertaking and to have worked so closely with the members of your Administration whose sincere commitment and dedication were inspiring.

Mr. President, you have our thanks and that of future generations who will recall this day and those who made it possible. We hope we have the opportunity to express our gratitude in person before long.

Sincerely,

Shoshana S. Cardin

Shoshana S. Cardin
Chairman

Malcolm I. Hoenlein

Malcolm Hoenlein
Executive Director

110 East 59th Street, New York, N.Y. 10022 • (212) 318-6111 • FAX # (212) 644-4135

American Israel Public Affairs
Committee
American Collaborating/Federation
Jewish Holocaust Survivors
American Jewish Committee
American Jewish Congress
American ORT Federation
American Sephardi Federation
American Zionist Federation

Anti-Defamation League of B'nai
B'rith
Association of Reform Zionists of
America
B'nai B'rith
B'nai B'rith Women
B'nai Zion
Central Conference of American
Rabbis

Federation of Reconstructionist
Congregations and Synagogues
Hachadash
Hebrew Immigrant Aid Society
Jewish Community Centers
Association
Jewish Institute for National
Security Affairs
Jewish Labor Committee

Labor Zionist Alliance
Machatz
NA'AMAT USA
National Conference on Soviet
Jews
National Committee for Labor
Israel
National Council of Jewish
Women
National Council of Young Israel

National Jewish Community
Relations Advisory Council
Poale Agudath Israel
Rabbinical Assembly
Rabbinical Council of America
Religious Zionists of America
Union of American Hebrew
Congregations
Union of Councils for Soviet Jewry
Union of Orthodox Jewish

United Jewish Appeal
United Synagogue of America
WIZO USA
Women's American ORT
Women's League for Conservative
Judaism
Women's League for Israel
Workmen's Circle
World Zionist Organization/
American Section

Alfred H. Moses
President
Robert S. Rifkind
Chair, Board of Governors
Mimi Alperin
Chair, National Executive Council
Bruce M. Ramer
Chair, Board of Trustees
Robert S. Jacobs
Chair, Executive Committee



The American Jewish
Committee

Institute of Human Relations
165 East 56 Street
New York, NY 10022-2746
(212) 751-4000

Office of the President

Waller F. Gips, Jr.
Treasurer
Jack Lapin
Secretary
Harold Tanner
Associate Chair, Board of Trustees
Harris L. Kempner, Jr.
Associate Treasurer

David A. Harris
Executive Vice President

VIA FAX

December 16, 1991

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

Dear Mr. President:

The U.N. General Assembly vote has just been concluded and all of us here at the American Jewish Committee are savoring this very special moment. We know that such a historic diplomatic victory could not have been possible without the unstinting effort of the United States. We are very proud of the leadership role played by our country, and we would particularly like to commend the efforts of Vice President Quayle, Secretary of State Baker and Assistant Secretary of State John Bolton.

And having just returned from a visit to Japan and Korea, we are also aware first-hand of the important intervention by American ambassadors. We were particularly struck by the commitment of Ambassador Armacost in Tokyo and Ambassador Gregg in Seoul in securing the support, indeed co-sponsorship, of Japan and South Korea respectively. We know that this effort was replicated around the world by American envoys at your direction.

With deep appreciation and best holiday wishes.

Respectfully,

Alfred H. Moses

**Alfred H. Moses
President**

David A. Harris
**David A. Harris
Executive Vice President**

Vice Presidents

Norman E. Alexander
Westchester
Elliott Goldstein
Atlanta
E. Robert Goodkind
Westchester
Eleanor S. Lazarus
Cincinnati
Saul N. Mirowitz
St. Louis
Elaine Petschek
Westchester
Robert S. Rifkind
New York
Cathy Mendelson Siegel
Los Angeles
Steven L. Swig
San Francisco
Lawrence Thorpe
Atlanta
Elaine Wishner
Chicago

Honorary Presidents

Morris B. Abram
Theodore Ellenoff
Howard I. Friedman
Philip E. Hoffman
Richard Maass
Elmer L. Winter
Maynard I. Wishner

Honorary Vice Presidents

Nathan Appleman
Morris H. Bergreen
Matthew Brown
Stuart E. Elzenstat
David B. Fleeman
Martin Gang
Ruth R. Goddard
Andrew Goodman
Alan C. Greenberg
Raymond F. Kravis
Marlin Lipton
Norman S. Rabb
William Rosenwald
George M. Szabad
Shirley M. Szabad
Elise D. Waterman

Honorary Chairs,
National Executive Council

Max M. Fisher
Sol M. Linowitz

Honorary Chair,
Board of Governors
Leo Nevas

Executive Vice President Emeritus
Bertram H. Gold

INSTITUTE FOR PUBLIC AFFAIRS

STATEMENT BY SHELDON RUDOFF, PRESIDENT
AND MANDELL I. GANCHROW, M.D., INSTITUTE CHAIRMAN
ON
THE REPEAL OF UN RESOLUTION 3379

We are elated that the United Nations has repealed the notorious 1975 Resolution 3379 equating Zionism with racism. That terrible act brought 16 years of injustice against the national movement of the Jewish people.

We applaud the leadership of the Bush Administration for making good on the President's September commitment to repeal this odious resolution. The act of correcting such a dreadful wrong, however, should not be seen in any other light, except the reversal of a monumental wrong to the movement that has spearheaded the ingathering of Jews from throughout the world - Zionism.



THE UNION OF ORTHODOX JEWISH CONGREGATIONS OF AMERICA

333 SEVENTH AVENUE • NEW YORK, NY 10001

(212) 563-4000 • FAX (212) 564-9058



Rabbi Marvin Hier
Dean

December 16, 1991

Mr. George Bush
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

I want to congratulate you for taking the initiative which led to today's historic vote at the United Nations revoking the 1975 determination that equated Zionism with racism.

You should take justifiable pride in the fact that your unequivocal statement at the United Nations played a major role in securing today's reversal.

Cordially,

Rabbi Marvin Hier
Dean

RMH/prr



B'nai B'rith

NEWS

From the World's Largest Jewish Organization

1640 Rhode Island Ave., N.W., Washington, D.C. 20036 • (202) 857-8536
Press Office: 7th Floor • Fax (202) 296-1092

Date: December 16, 1991

No. 91-93

Release: Immediate

Contact: Buzzy Gordon
Harris Schoenberg

B'NAI B'RITH HAILS REPEAL OF U.N. ZIONISM-RACISM RESOLUTION

WASHINGTON, DC -- B'nai B'rith today welcomed the repeal of United Nations General Assembly Resolution 3379, which for 16 years falsely equated Zionism with racism and ethnic discrimination.

B'nai B'rith International President Kent E. Schiner praised those nations which co-sponsored and voted for the motion to repeal the odious resolution. "More than a decade and a half of libel has come to an end," said Mr. Schiner, who is also Chairman of the United Nations Committee of the Conference of Presidents of Major American Jewish Organizations. "Perhaps the ideals of truth and justice -- and, dare we hope, peace -- are indeed becoming notions that are not beyond human aspiration."

"We at B'nai B'rith are especially proud," Mr. Schiner added, "that our full-time representation at the United Nations constantly and consistently kept this issue on the world agenda. The B'nai B'rith U.N. office, ably led by Dr. Harris Schoenberg, played no small role in the long, arduous -- and sometimes seemingly hopeless -- task that has led to this glorious vindication."

"The global Jewish community also deeply appreciates the efforts throughout the years of Ambassadors Jeane Kirkpatrick and Daniel Moynihan, as well as United States Assistant Secretary of State for International Organization Affairs John Bolton. This is truly a time for gratitude and celebration."

###



Rite

Disarmed
with Sam

GB

12-18

Sam:

Contact with our Jewish friends and supporters.

Max, Jack Stein, George Klein...

Important they have 'access'... let's discuss.

gb

December 17, 1991

FROM THE PRESIDENT

Bush Library Photocopy
George Bush Handwriting

Bush Presidential Library Photocopy

THE WHITE HOUSE
WASHINGTON

*The Chief of
Staff's Office
Conveys —*
91 DEC 18 49:11

December 18, 1991

MEMORANDUM FOR THE PRESIDENT

FROM: PAUL W. BATEMAN *P. W. Bateman*
DEPUTY ASSISTANT TO THE PRESIDENT FOR MANAGEMENT

SUBJECT: Authorization of Home-to-Work Transportation
for the Counselor to the President

The attached order authorizes home-to-work transportation for the Counselor to the President. Pursuant to 31 U.S.C. § 1344(b)(1)(B), you may designate such transportation for six officials from within the Executive Office of the President. These designations have been made for four individuals, by position:

Chief of Staff
Assistant to the President for National
Security Affairs
Deputy Assistant to the President for
National Security Affairs
Chairman, Council of Economic Advisers

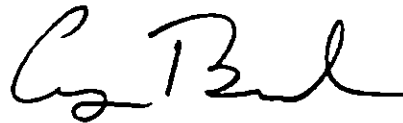
Recommendation: That you sign the attached order authorizing home-to-work transportation for the Counselor to the President.

Attachment

THE WHITE HOUSE
WASHINGTON

AUTHORIZATION
HOME-TO-WORK TRANSPORTATION

By the authority vested in me by 31 U.S.C. § 1344(b)(1)(B),
I hereby designate the Counsellor to the President to receive
transportation in a government vehicle from his residence to his
place of employment. This designation is effective immediately.

A handwritten signature in dark ink, appearing to read "C. T. Bush". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

THE WHITE HOUSE

WASHINGTON

- o When I signed the Intermodal Surface Transportation Efficiency Act of 1991 on december 18, \$79 million in highway funds were released to the State of New Hampshire for use in fiscal year 1992. Over the next six years, one-half billion dollars is authorized for highways and bridges in New Hampshire.
- o The bill also authorizes replacement of the Winchester Bridge, improvement of the Manchester Airport Road and reconstruction of the Ledyard Bridge in Hanover.

MEMO TO THE PRESIDENT
FROM
JUDD GREGG
REGARDING NEW HAMPSHIRE ISSUES

The following is a brief summary of issues which have a unique New Hampshire flavor that I know you are aware of, but I simply wanted to give you further background.

BANKING CRISIS

Five of New Hampshire's eight largest banks were taken over by the FDIC in October. These banks represented approximately 36% of the total banking assets in the state. The takeovers were generated by the prior three years of economic recession and the complete collapse of the real estate market--prices having dropped on the average of 40%.

Obviously, the period leading up to the collapse of these banks created severe economic strain on the New Hampshire economy, as for almost two years most of these banks simply did not lend money. The FDIC, under the leadership of Chairman Seidman, and with my strong support, used New Hampshire as an experiment for a variety of new approaches to resolving such major insolvencies. We received excellent support from the FDIC throughout this takeover process. In October, the FDIC essentially put \$1 billion of new capital into the New Hampshire banking system as these five banks were merged into two banks which were purchased by local banking groups through the FDIC.

The fallout from this activity has been two-fold. First, the banking community in New Hampshire is now recapitalized and in a position to lend, although the amount of lending has been very limited as the industry remains traumatized by the prior three years of recession. Second, there remains \$1 billion of non-performing loans from insolvent businesses and real estate. The effect of liquidating these loans could have a very negative impact on New Hampshire's capacity to recover. We are working closely with the FDIC to try to lessen the impact of this liquidation process. The same concern applies in the area of performing non-performing loans. These are people who are current on their debt obligations, but usually as a result of collapse in the value of their collateral (real estate) are in default. It is our hope to work through these loans in a manner that does not cause viable businesses to be forced out of business. The FDIC is making proposals to assist in this area. An SBA pilot program was recently announced by Pat Saiki to help in this area.

The other area of concern is that the liquidation process does not cause real estate to be dumped on the market causing a double-dip in the collapse of real estate prices. We are, therefore, pursuing a number of avenues such as seller financing through the FDIC to try to limit such an impact. This does represent, however, a significant overhang on the New Hampshire economy.

STATE BUDGET

Like all of the New England states, New Hampshire has been facing a severe budgetary situation over the past three years. In fact, in each of the last three years, state revenues have dropped from the prior year, primarily due to receipts from our Business

extremely unfair to us. As a result of Warren Rudman's efforts, we were able to get the New Hampshire extension up to 13 weeks from the original 6 weeks, but it still seems unfair when our sister states, whose economic plight is essentially the same, have received such a greater extension.

AMERICA FIRST

Mr. Buchanan has been talking a lot about American First and his new nationalism. It should be noted that New Hampshire is the only state in New England with an export surplus so that the vast amount of our industrial workers work for companies who depend on a strong export market. We are truly a free market, low tax, free enterprise, free trade state. For example, the Canadian Free Trade Agreement, which is the antithesis of Mr. Buchanan's philosophy, is a major boon to our computer industry. Prior to this agreement our electronics industry was hit with very significant tariffs as they sold to Canada, while we in New Hampshire were buying raw materials from Canada which had significantly lower tariffs. The reduction of these barriers will be a major plus for New Hampshire manufacturers. In addition, as a state, we are uniquely located physically and with electronics as our base can export to Europe, and our industries are doing just that. Therefore, most New Hampshire employees in the manufacturing industries depend on a strong free trade policy. Also please note that New Hampshire was extremely supportive of your initiatives in Iraq.

ECONOMY

The economy has been in recession for three years. The statistics are staggering and I won't bother to recite them, but we

have what amounts to the most significant downturn in the post-World War II period. People are extremely frustrated and they are hurting. The underlying causes of the downturn have been remedied. These causes included, in the late 80's a lack of labor supply, the overbuilt housing market, and an electronics industry forced to retrench due to the defense spending contraction, and in the 90's by the banking industry that collapsed. However, even though the structural problems have been corrected, New Hampshire cannot recover until the country recovers, and that appears to be a considerable distance in the future.

This is the most important issue in New Hampshire. No one in New Hampshire believes the recession is over.



December 18, 1991

To: Ron Kaufman

Please let all the campaign people know that Dr. Koop is willing to go out and speak for us. He told me that yesterday at the White House reception.

GB December 18, 1991

GB

FROM THE PRESIDENT

THE WHITE HOUSE
WASHINGTON
December 12, 1991

91 DEC 13 A7:23

MEMORANDUM FOR THE PRESIDENT

FROM: ROGER B. PORTER *RBP*
SUBJECT: Assessing the Education President

The lead editorial in The New Republic this week that I promised to send you is attached. It is remarkably positive about your performance on education. Particularly striking is the contrast they draw between America 2000 and the approaches advanced by Democrats, especially Senator Kennedy. Specifically, they:

- Give the highest marks to your emphasis on national standards and achievement tests in the five "core" subjects. (They believe that these tests will be extensively used by colleges and employers and thus become high stakes exams that will powerfully influence students.)
- Note that minimum competency testing is largely responsible for raising the literacy rate of black high school graduates from less than 20 percent in 1975 to nearly 100 percent today;
- Applaud merit pay and alternative certification of teachers and principals;
- Assert that Kennedy is captive of the education establishment and satisfied with the status quo;
- Acknowledge the lack of results generated by major increases in unfocused spending during the 1980s;
- Claim that we place excessive emphasis on choice; and
- Disparage an excessive emphasis on utilitarianism (a fixation on the economic justification for education reform) and urge that we not only need to reform schools to meet our economic needs, but more importantly to address our need for better citizens.

This is an article worth reading.

Attachment

DECEMBER 16, 1991

SCHOOL HAZE

Back in April, when George Bush and Education Secretary Lamar Alexander unveiled their "America 2000" plan, most commentators wearily dismissed it as a political exercise. The plan celebrated the politically attractive but practically unrealistic idea of choice and made much noise about standards, but it failed to provide significant new funding for existing schools or new programs. The president, it seemed readily apparent, was seeking to "inoculate" himself against infection by yet another domestic issue about which he cared little but that made him vulnerable to Democratic criticism. Gary Orfield, an education professor at the University of Chicago, summed up the prevailing consensus when he said, "America 2000 is not a plan for American education but a plan for re-electing the president."

There are, to be sure, political motives at play. And the substantive aspects of "America 2000" are so buried in public relations gloss and euphemistic education-speak that it's easy to overlook them entirely. But the dismissal of the White House proposal has been far too glib, especially where it comes from those, like Senator Edward Kennedy, whose own reform alternatives range from stale to nonexistent. The president's plan is neither as wide-ranging nor as courageous as the one we'd like to see. It contains, however, some good ideas, which is more than can be said for its congressional opponents.

The strongest aspect of "America 2000" is its emphasis on standards and testing. Mr. Alexander wants to promulgate a set of national criteria for what students at various levels should know. He wants to assess their

progress, and that of their schools, by means of a national achievement test in five "core" subjects. As a bow to those on the right who consider any national restrictions on the local protectorate of education anathema, these examinations would be officially "voluntary." In reality, however, they would become more or less required as colleges and employers came to rely upon them, as the plan suggests.

This is an appealing idea for several reasons. Objective national standards would serve as a counterweight to the low-cal curriculum that exists in many school districts. If high school seniors are going to be tested on geography, math, and history, classes based on self-esteem and "how to think" will accordingly evolve in a more substantive direction. Opponents of testing often draw the analogy that you don't make someone a better jumper by raising the hurdles. This sounds like common sense, but it's actually nonsense. So long as there aren't any insurmountable obstacles, people respond to incentives. Students learn in order to pass tests, because they want a high school diploma. Barbara Lerner, an educational assessment expert, has argued persuasively that minimum competency testing, which caught on in the late 1970s, is largely responsible for raising the literacy rate of black high school graduates from less than 20 percent in 1975 to nearly 100 percent today. This makes testing one of the few demonstrably effective reforms of the last quarter century.

Secretary Alexander's plan would also promote accountability by issuing report cards for schools,



school districts, and states. This too is a good idea; it would help wake up parents to the reality that it isn't just somebody else's school that is inadequate, but their own. It would instill competitive pressure throughout school systems. There is, unfortunately, one kind of testing that is missing from the plan: evaluation and recertification of teachers. The Department of Education's Diane Ravitch argues that you can't make demands on what teachers should know until you decide what their students should have to learn. In fact, demonstrably incompetent teachers are an enormous barrier to educational progress.

This omission is attributable to the still-firm grip of the teachers' unions and educational bureaucrats who reject anything that smacks of competency testing. Elsewhere, however, America 2000 is not without ideas for recruiting better teachers, and rewarding the good ones. The plan supports merit pay, which remains objectionable to the National Education Association, and alternate certification of teachers and principals, which is anathema to the nation's powerful education colleges. The educators are also opposed to Mr. Alexander's idea of creating 535 experimental "New American Schools," a project for which the administration actually wants to provide new money and the Democrats in Congress don't.

Where the Bush plan falls short, in our opinion, is in its genuflection at the altar of voucher choice, the idea of allowing public money to follow students to private and parochial schools. Choice is a superficially alluring idea. In theory it applies market pressure to inadequate schools, forcing them to shape up, or close down. In practice, however, it's far from clear that school districts, which will always be far from free markets, will respond to this kind of pressure. It's far more likely to dilute even further the notion of universal public education, without allowing more modest reform ideas a chance to work. And once the public schools are gone, there will be little chance of convincing taxpayers to bring them back.

The response from congressional Democrats has been even more hollow than one might expect. Senator Kennedy, chairman of the Labor and Human Resources Committee, wants to nuke the whole plan. Mr. Kennedy opposes the idea of new experimental schools, national standards, testing, and almost everything else. The senator is, of course, in a double bind. He is both a captive of the educational establishment, which is more than happy with the status quo, and chagrined that the president might have seized the initiative on a long-held Democratic monopoly.

The one issue on which the congressional Democrats are clearly right is a familiar one. One of the president's stated goals is to have all children start school "ready to learn" by the year 2000, a goal only imaginable because of the success of the Head Start

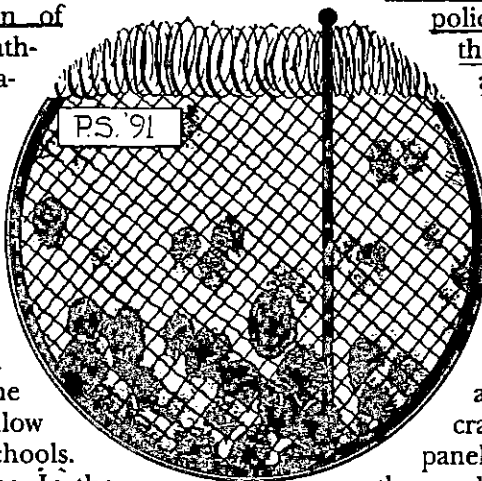
program. Yet despite promises to do so, Mr. Bush has not pushed for full funding for eligible 3-, 4-, and 5-year-olds.

But elsewhere, the Democrats are on weaker ground. Mr. Kennedy's version of the bill, which Mr. Bush has threatened to veto, would make federal funds available only in the form of block grants. Where Mr. Alexander wants to condition federal aid on meaningful reform, Mr. Kennedy wants to make it available for any sort of vague "restructuring" project a school district undertakes, including purely bureaucratic reorganization. There is a certain amount of irony here. Through the 1970s and '80s, it was always Republicans who insisted that education was a local rather than a federal concern and resisted efforts to provide funds only for specific programs. Ronald Reagan wanted to abolish the Department of Education. Now that the Republicans have latched on to specific reform ideas and have breathed a bit of life into federal education policy, it's the Democrats who insist that the department should be restrained and that federal dollars should flow unrestricted.

And of course Mr. Kennedy wants more unrestricted funds—\$160 million more—despite the dismal lack of results generated by the massive hike of unfocused education spending during the 1980s.

He would also siphon off more federal aid for administrative costs and add to the bloated education bureaucracy by creating a new federal advisory panel to review state reform plans to see if they qualify for funds. Reviewing such plans is, as Mr. Alexander asserts, properly the job of the Department of Education.

Perhaps the most worrying aspect of this entire debate, however, is not the shallowness of the Democratic response or the political opportunism of the administration's proposals, but the utilitarianism of both sides. We're for many of the reforms outlined—and in favor of more money for them than this administration is prepared to spend. But we're somewhat troubled by the rationale. The White House and congressional Democrats—along with any columnist or governor you care to mention—are fixated on the economic impact of education reform. We don't doubt, of course, that this is related to an important truth: that better education is essential to our economic competitiveness. And we don't doubt that this argument is important for marketing purposes, as the corporate types surrounding Secretary Alexander are surely pointing out. But in America, education has never been simply about economics. The case for better schools is rooted in the needs of our civil as well as our economic culture. It should be based not on the claims of consumers, but on the need for better citizens. And the urgency of reform these days springs primarily from the latter.



Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07. Note	From Rose [Zamaria] to President Bush Re: various issues [redaction of personal information] (1 pp.)	12/18/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, December 18, 1991

Date Closed: 5/1/2014	OA/ID Number: 90641-006
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

12/18/91

Mr. President:

1) REMINDER -- Jimmy Walker coming in for coffee at 7:50 tomorrow morning.

2) Did you ask for Malek and Teeter to come in tomorrow. It looks mighty tight.

YES _____ NO _____

I'd like to see

3) Naval Aviation Choral Group from Pensacola, Florida, may be there for helicopter arrival today *them -*

4) Pete Teeley called. He and Valerie send love to you and Mrs. Bush for Christmas season. Sorry they couldn't make it to the reception last night, [REDACTED]

Better

(b)(6)

let

Most appreciative of the invite and MERRY CHRISTMAS AND HAPPY NEW YEAR.

SS

5) Congressman Rostenkowski sent two christmas gifts -- one for you and one for Doro -- they are on the dining room table. There are no cards because they are the same.

set it

6) Senator Pete Domenici would like very much for you to call him. He wants to express personally best wishes for the holidays.

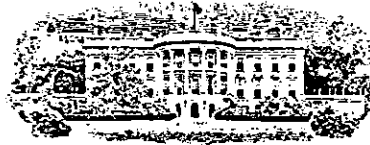
up

(c) 224-7090

(b)(6)

Joe

Bush Presidential Library Photocopy



12-18-91

Dear Lee,

I'm looking forward to the trip and I'm glad you'll be with us. Thanks for that good letter.

Merry Christmas,

By Bob

FROM
THE WHITE HOUSE

WASHINGTON, D.C.

The Honorable Lee Iacocca
Chairman of the Board and
Chief Executive Officer
Chrysler Corporation
12000 Chrysler Drive
Highland Park, MI 48288-1919

Shirley Green

Lee A Iacocca
Chairman of the Board
Chief Executive Officer

*Reading File**cc: Kathy Syper*

The Honorable George Bush
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I consider it a high honor to be asked to participate in your upcoming trip to Japan, and I am eagerly looking forward to it.

I interpret your invitation to the Big Three CEOs as a strong signal from the administration to both Detroit and Tokyo that some fundamental changes in policies affecting U.S.-Japan auto trade are being considered, and I welcome that.

I also understand the diplomatic, economic and political difficulties of such an initiative. I'd like to do whatever I can to be supportive. Please don't hesitate to ask.

I am, for example, scheduled to speak to the Detroit Economic Club on January 10, just a few hours after returning from Tokyo. This speech traditionally kicks off the Detroit International Auto Show, and is heavily covered by the news media. Perhaps during the trip we could talk for a few minutes on how I might be helpful to you with this speech.

Again, I look forward to seeing you in Japan next month.

Sincerely,

Lee Iacocca

*Be sure Shumir
sees money*





Aboard Air Force One

Dec. 18, 1991

Dear Glenn,

I received that wonderful letter; and I just wanted to thank you for your service to Country and to wish you well in the future.

You and Lee have earned some private time and I know your future will be full of joy and adventure.

Have a Merry Christmas, and, again, my thanks for your letter.

Sincerely,

Ag Bush

The Honorable Glenn M. Anderson
House of Representatives
Washington, D.C. 20515



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

GLENN M. ANDERSON
THIRTY-SECOND DISTRICT
CALIFORNIA

December 11, 1991

The Honorable George Bush
The White House
Washington, DC 20500

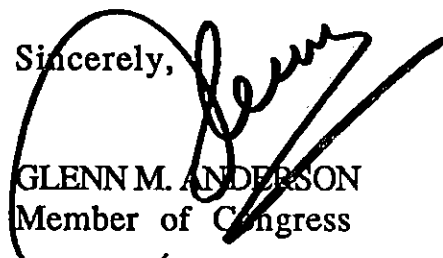
Dear ~~Mr.~~ President:

After 52 years of public service, almost 24 years of that time spent in the Congress of the United States, I have decided not to seek reelection to the 103rd Congress. I need not tell you that the decision was not an easy one, but once made, I am content and a bit relieved.

Mr. President, I love the United States of America. I love its people and I love its freedoms. It has been a privilege to serve my state and my country, and it have been a distinct privilege to serve with a President such as yourself. I hope that my bipartisan approach has helped to effectively associate me with meaningful and worthy legislative efforts. I intend to spend the remaining months of my term in such efforts.

My wife Lee and I wish Mrs. Bush and yourself the happiest and holiest of holidays. God bless you.

Sincerely,


GLENN M. ANDERSON
Member of Congress

~~SECRET~~
THE WHITE HOUSE
WASHINGTON

December 17, 1991

91 DEC 17 P5:50

NOTE FOR THE PRESIDENT

FROM: Sam Skinner

5 Very nice
GAB/
12-18

NATIONAL
GOVERNORS'
ASSOCIATION

TO: POTUS

YOU
NOT
me

Sam



John Ashcroft
Governor of Missouri
Chairman

Roy Romer
Governor of Colorado
Vice Chairman

Raymond C. Scheppach
Executive Director

Hall of the States
444 North Capitol Street
Washington, D.C. 20001-1572
Telephone (202) 624-5300

December 9, 1991

SSS
Letter

The Honorable Samuel K. Skinner
U.S. Secretary of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Dear Mr. Secretary:

Congratulations on the successful enactment of the surface transportation bill. I know it has been a tremendous undertaking for you. The Governors salute your foresight and fortitude in initiating the legislation that makes the substantial investment in transportation so critical to our nation's economic prosperity, while offering flexibility for individual state needs.

I will be leaving office on Tuesday and, as I look back on my term, I am particularly grateful to have had the opportunity to work with you on this landmark legislation. This process has clearly underscored the importance of a strong state-federal partnership in the planning and design of an effective surface transportation program. The Governors are now ready and quite able to take on the challenge of implementing the program.

Your tremendous efforts throughout the last year are appreciated, and I wish you the best as you take on new responsibilities in the coming months.

Sincerely,

Governor Wallace G. Wilkinson
Chairman
Committee on Transportation,
Commerce, and Communications

18 Dec

Rich Pearson
National Geographic

(Personal)

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Richard E. Pearson
Assistant to the President
National Geographic Society
17th and M Street, N.W.
Washington, D.C. 20036

(Personal)



Aboard Air Force One

Personal

Dear Dick,

I'm not sure how the memberships for Alfalfa are decided; but I would like to make a recommendation if that is in order.

I'd like to suggest Sam Skinner - now White House Chief of Staff, formerly Secretary of Transportation.

Most of the Alfalfa members know him.

In my view he'd come to the deniers, he'd enter in - in short he's Alfalfa's kind of guy. Warm Regards. *Ag Bundy*



12-18-91

Alward Air Force One

Dear Tim and Jennifer,

I've been happily
thinking about what you
told us yesterday evening.

I am very very
happy for you both - so
is Barbara

It's wonderful how
something personal like
this can make others
feel great, too.

We're thrilled for
you both. Merry Christmas

Love, Ben

Jim Pinkerton and
Jennifer Grossman

Personal

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable James P. Pinkerton
Deputy Assistant to the President
for Policy Planning
The White House
Room 216, OEOB
Washington, D.C. 20500

(Personal)
By Hand



Aboard Air Force One

Dear Team -

*Just a quick
note to thank you
for your notes about
my Dad. Loved it!
I hope you have
a great Christmas
Sincerely,*

G Bush

Dec. 18, 1991

The Honorable Jean McKee
Chairman
Federal Labor Relations Authority
Suite 217
500 C Street, S.W.
Washington, D.C. 20424

I am a senior in college. Politics and Government are what I have been studying, ~~especially~~. They are my major. We have studied the records of these two American parties. The Republican Party is the one which has stood for the things I believe in --- that seem right to me for the United States and for Americans.

This year I'm going to cast my first vote. It's very important to me. Because of what I have learned, it will be a Republican vote.

And very certainly, it will be a vote for Prescott Bush. I ~~know Mr. Bush~~. He is the kind of man who will put into action what I believe in. He will work for those things which are right for America and ~~you~~ *for us*. We need men like Mr. Bush in the Senate. We need the Republican party in our government.

By voting for Prescott Bush I can Show that he is what I want. ~~I hope you will cast your votes for him, showing that he is what you want.~~



JEAN McKEE
Chairman
Federal Labor Relations Authority



THE PRESIDENT

December 18, 1991

Dear Jay:

I whipped off the attached to Tom Moon. Many thanks.

I hope you and yours have a great New Year.

Sincerely, with friendship,

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

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Julian M. Niemczyk
4323 Wakefield Drive
Annandale, Virginia 22003



THE PRESIDENT

December 18, 1991

Dear Tom:

Jay Niemczyk passed along that wonderful new book about the great organization in which you both served - the OSS. Thanks so very much for both the book and the inscription.

I hope you have a very Merry Christmas.

Sincerely,

A handwritten signature in dark ink, appearing to read "G. H. W. Bush".

FROM

THE WHITE HOUSE

WASHINGTON, D.C.

Mr. Tom Moon
2604 East Washington
Orange, California 92669



PEOPLE TO PEOPLE *International*

• DWIGHT D. EISENHOWER, Founder

Headquarters:

501 East Armour Boulevard • Kansas City, MO 64109-2200 • (816) 531-4701 • Fax (816) 561-7502

December 10, 1991

The President
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

Dear Mr. President,

It was no doubt obvious to you and Barbara that we had a wonderful time at the White House State Dinner for President and Mrs. Vaclav Havel of Czechoslovakia. Peg very much enjoyed the opportunity to meet and talk with some of your houseguests that evening.

Then, for a double-hitter, we were honored to see you again the next night at the Veteran's of the OSS dinner at the Washington Hilton as you received the General Donovan Award. An exciting week for us.

One of our longtime friends and OSS colleagues asked me to try to get this book which he authored to you as another story about that remarkable organization in which I, too, served.

Tom Moon is a Californian and his address is
2604 East Washington
Orange, Calif. 92669

Wishing you and Barbara a very Happy Holiday Season,
I send warm regards,

Respectfully,

Julian M. Niemczyk
Julian M. Niemczyk
Chairman

Local address
Wakefield
4323 Wakefield Drv.
Annandale, VA. 22003



type pls.

Dear Tom,

Jay Niemczyk passed along that wonderful new book about the great organization in which you both served- the OSS.

Thanks so very much for both the book and the inscription.

I hope you have a very Merry Christams sincerely,

send cc of this to Jay

with this:

Dear Jay,

I whipped off the attached to to Tom Moon.

Many thanks. I hope you and yours have a great New Year.

sicnerewith friendship,

FROM THE PRESIDENT



George and Barbara
"Millie"

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. James F. Chambers, Jr.
Post Office Box 25336
Dallas, Texas 75225

cc:
Rose Zamaria

*W*ishing you a merry Christmas
filled with the warmth of caring,
the joy of togetherness,
and the love of friends and family.

12-18-91

THE PRESIDENT AND MRS. BUSH

Dear Jim - Just today did I get your
note posted on Nov 5th - Postal Return
Anyway thanks for your kind words.
Sorry we didn't get to visit - Have
a very Merry Christmas - *Georg*



George W. and Laura
Barbara and Jenna
Texas



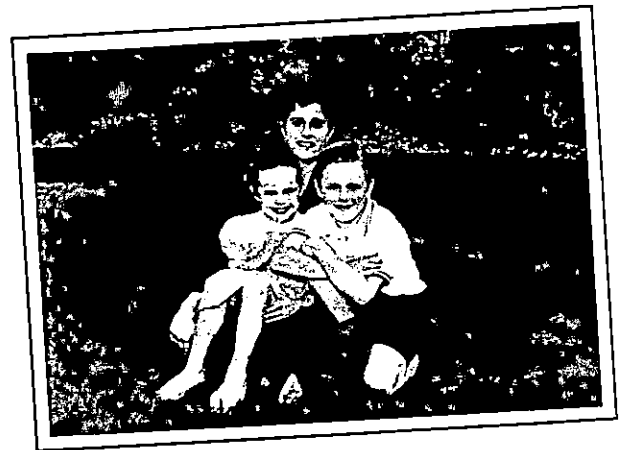
Jeb and Columba
George P. Noelle, and Jebby Jr.
Florida



Neil and Sharon
Lauren, Pierce, and Ashley
Texas



Marvin and Margaret
Marshall and Walker
Virginia



Doro LeBlond
Sam and Ellie
Maryland



"Early Arrivals at the White House"
© 1991 William T. Gemmell

Jas. F. Chambers, Jr.

21
Dear Mr. President

As a director of Thanksgiving Square,
I was in the audience when you
spoke last Friday.

Thank you for making the
dedication so special.

I was also fortunate to be on

Val/Cham Consultants, Inc.

P.O. Box 25336

Dallas, Texas 75225

Heard as Vice Chairman when
Barbara visited The Scottish Rite
Hospital for Children.

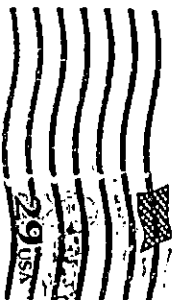
It was very good to see her again.

She did a great job with the
children.

It was great to have both of
you in Dallas.

Regards,

Jim





THE PRESIDENT

12-18-91

Dear Ken,

Ron Kaufman showed
me both your letter to him and
to Ms. Keen. No problem here.
You're a good man and I was
sure there was something that
didn't come out right when USA

went to print

Have a great

Christmas —

I am confident about
next year, though the media
pounding hasn't been too
good. (Builds character
though) — — — Ag Ben

TH

The Honorable Kenneth L. Khachigian
Ken Khachigian Company
Suite 203
209 Avenida Del Mar
San Clemente, California 92672

CC: (In & out)
✓ Rose Zamaria
Ron Kaufman

THE WHITE HOUSE

WASHINGTON

December 13, 1991

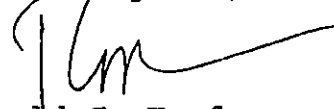
Dear Ken:

When I read the quote from USA TODAY, there was no doubt in my mind that it had been taken totally out of context.

Believe me, Ken, I told the President that even before I received your letter with the accompanying copy of the letter to Judy Keen. I've taken the liberty of showing these to the President and the Vice President.

Thanks for sending along the clippings, too. You're a good friend, we'll talk soon, and I hope you have a terrific holiday.

Best regards,



Ronald C. Kaufman
Deputy Assistant to the President
for Political Affairs

Kenneth L. Khachigian
209 Avenida Del Mar, Suite 203
San Clemente, California 92672

RCK/bbs

2-91 THU

9:41

KENNETH L. KHACHIGIAN

P.02

P.03

KENNETH L. KHACHIGIAN
ATTORNEY AT LAW

200 AVENIDA DEL MAR, SUITE 203
SAN CLEMENTE, CALIFORNIA 92672
(714) 498-3879

December 12, 1991

Honorable Ronald C. Kaufman
Deputy Assistant to the President
for Political Affairs
THE WHITE HOUSE
Washington, D.C. 20500

Dear Ron:

Someone's bound to read today's USA TODAY and be very unhappy with the Bard of San Clemente -- including our friend in the Oval Office.

I weary of having to correct reporters or put things in "context," but, as I wrote the reporter, I should have known better.

I'll spare you the long version -- the enclosed letter makes clear my position, and I hope you'll find an opportunity to tell the President. When reporters do their job right, I'm not one of the pack beating up on the Old Man. And while I don't think there's any question of that, the particularly harsh impression left with this article deserves reminding my friends that I haven't gone wobbly on you.

Many cheers for the holidays.

Cordially,



KLK:jj

Enclosure

KENNETH L. KHACHIGIAN
ATTORNEY AT LAW

200 AVENIDA DEL MAR, SUITE 203
SAN CLEMENTE, CALIFORNIA 92672
(714) 498-3879

December 12, 1991

Ms. Judy Keen
Reporter
USA TODAY
1000 Wilson Blvd.
Arlington, VA 22229

Dear Judy:

I guess the problem with boiling down a 20 minute interview into one sentence is the drawback of writing for USA TODAY, and, obviously, with as much experience as I have I should have known as much.

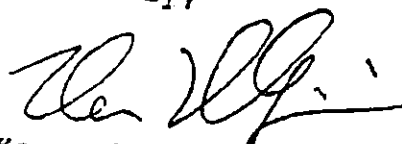
In our interview yesterday, my principal theme was that the President could easily surmount his current difficulties and that there was really no cause for long-term political alarm. The points I made with many historical allusions made clear that President Bush was perfectly capable of coming back and, moreover, that many short term economic solutions would not be wise in the longer term.

What you chose to write made my interview sound critical of the President, which I was not. I didn't say "The President deserves the hot seat," and you did not put that line in quotations. But the way you wrote made it appear that I said that. The conclusion by readers and my friends in the White House would easily be that "the President has it coming to him." You know, of course, that was not the tenor of my comments.

The kicker in your article -- quoted relatively accurately -- was by way of detached analysis, not criticism of the President. It was saying, in effect, that the public is fickle -- that when you're on top, they're with you; and when you're down, they're against you.

Somehow, none of this came out the way I said it -- it's partly because you unfairly editorialized on what I said and partly because of your space restrictions. Unfortunately, this will color the manner in which I comment in our next interview.

Cordially,



Kenneth L. Khachigian

KLK:jj



THE PRESIDENT

December 18, 1991

Dear Joe,

Many thanks for the great t-shirt. ^x The foundation sounds terrific, and for such a good cause.

Bar joins in sending family love and best wishes for a wonderful holiday season.

Sincerely,

x I'll wear
it.

GB /

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Joe Ellis
National Football League
410 Park Avenue
New York, New York 10022

CC:

Rose Zamaria
Nicki Richnow

THE WHITE HOUSE
WASHINGTON

December 18, 1991

PERSONAL

Dear John:

I hope it is in order for this still loyal but not-so-active Bohemian to second the motion for a friend who has already been nominated for early membership. I am referring to John Shad whom I have favorably known for many years.

Jack has served our Nation with distinction as Chairman of the Securities and Exchange Commission, Ambassador to the Netherlands, and in other capacities. I know Jack Shad would make a fine Bohemian.

Sincerely,



Mr. John G. Lilienthal
Chairman, Membership Committee
Bohemian Club
624 Taylor Street
San Francisco, California 94102



*The President
of the United States of America*

*Paul -
I was very glad to
do this. Merry Christmas
EJTB*

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Paul L. Davies, Jr.
50 Fremont Street
Suite 3520
San Francisco, California 94105

Remember a copy
of this goes to
someone
By

GEORGE BUSH

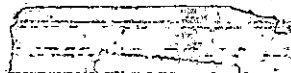
cc

to Paul
Daries with
my note

Bush Presidential Library Photocopy

Bush Library Photocopy
George Bush Handwriting

Document Originally
Attached to
Following Page





Aboard Air Force One

December 18, 1991

Mr. John G. Lilienthal
Chairman, Membership Committee
Bohemian Club
624 Taylor Street
San Francisco, CA 94102

Dear John:

I hope it is in order for this still loyal but not-so-active Bohemian to second the motion for a friend who has already been nominated for early membership. I am referring to John Shad whom I have favorably known for many years.

Jack has served our Nation with distinction as chairman of the Securities and Exchange Commission, Ambassador to The Netherlands, and in other capacities. I know Jack Shad would make a fine Bohemian.

Sincerely,

Bush Library Photocopy
George Bush Handwriting

Bush Presidential Library Photocopy

57
PAUL L. DAVIES, JR.
50 FREMONT STREET, SUITE 3520
SAN FRANCISCO, CA 94105

November 27, 1991

Jan Bernstein
The Honorable George H. W. Bush
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I respectfully request your support of Jack Shad's early admission to the Bohemian Club. I am his sponsor, and his application is supported by Jim Baker, Nick Brady, Bob Malott, Dave Packard, George Shultz and others. The Club's non-resident waiting list is now 18 years long. Jack has been on that list for 13 years. He is 68.

As you may recall, in 1980 Jack was chairman of the Reagan-Bush New York State Finance Committee. In 1981 you swore him in as chairman of the Securities and Exchange Commission, where he served with distinction for a record six years. He was also an active member of your Task Group on the Regulation of Financial Services. In 1987, Jack declined appointment to an additional five-year term at the SEC and accepted President Reagan's nomination to be our Ambassador to The Netherlands. The day after your election in 1988, Jim Baker asked him to continue with your administration. However, Jack returned to the private sector.

Jack has been a frequent guest at the Grove and was a spear carrier in the 1988 Low Jinks cast. His bio and a possible draft of a brief note the Club is enclosed.

Sincerely,



Paul L. Davies, Jr.

Encs.

POSSIBLE DRAFT

Mr. John G. Lillienthal
Chairman, Membership Committee
Bohemian Club
624 Taylor Street
San Francisco, CA 94102

Dear John:

*I hope it is in order for this
still loyal but not-so-active Bohemian to second
the motion for a friend who has
already been nominated
for early membership*

~~It is a pleasure to commend to your favorable
consideration John S. B. Shad's application for early
admission to the Club. Jack has served our Nation
with distinction as chairman of the Securities and
Exchange Commission, Ambassador to The Netherlands,
and in other capacities. Barbara and I have also
enjoyed his company in Washington.~~

*I know Jack Shad
would make a
fine Bohemian*

Sincerely,

*I am referring
to John Shad whom I
have favorably known for
many years*

John Shad
Chairman, Securities and Exchange Commission (1981-87)
Ambassador to the Netherlands (1987-89)

Education: John Shad was born in Utah in 1923; served as a junior naval officer in the Pacific and China during World War II; and worked his way through college and law school. He received a BS degree with honors from the University of Southern California (1947), an MBA from the Harvard Business School (1949), an LLB from the New York University Law School (1959) and an honorary Doctor of Laws from the University of Rochester (1987).

Investment Banker (1949-81): He began his Wall Street career as a securities analyst in 1949 and became an investment banker and Vice Chairman of the E.F. Hutton Group. He has helped consummate billions of dollars of corporate financings, mergers and acquisitions; has served on the boards of 17 publicly owned corporations; and has taught investment banking at the NYU Graduate Business School.

SEC Chairman (1981-87): In 1981, Shad resigned as Vice Chairman of the E.F. Hutton Group and from the boards of six other New York Stock Exchange listed corporations to accept President Reagan's appointment to the Chairmanship of the Securities and Exchange Commission, where he served for a record six years. During his tenure, with negligible increases in personnel, each SEC division achieved record results through automation, paperwork reduction and staff specialization. The Commission significantly: improved investor protections, corporations' disclosures and access to their shareholders; increased enforcement actions; and reduced unnecessary burdens on the securities markets by over a billion dollars per annum. In 1982-87 fees exceeded the SEC's expenses by over \$200 million. The Commission had only had a surplus in one of the 50 prior years.

Ambassador to The Netherlands (1987-89): In 1987, he declined an appointment to an additional five year term at the SEC to become the Ambassador to The Netherlands, where he addressed Dutch-American and US-EC trade and NATO issues in meetings with Dutch cabinet members, multinational corporations, the public and the media. Following President Bush's election in 1988, Shad was invited to continue with the new administration.

Drexel Chairman (1989-90): In April 1989, with the approval of the SEC and the encouragement of the Justice Department and others, Shad accepted the Chairmanship of the Drexel Burnham Lambert Group Board and Oversight Committee on a pro bono basis (contributing his compensation after taxes and legal fees to the Harvard Business School Leadership and Ethics Program, which he helped initiate). Drexel filed in bankruptcy 10 months later. In July 1990 Shad resigned as Chairman and remained an outside director.

Media: TV interviews on the Pinnacle, David Brinkley, MacNeil/Lehrer, Moneyline, Wall Street Week, C-Span, BBC and network news. Speeches and articles include: "The Financial Realities of Mergers", Harvard Bus. Review, 1969; "Stock Reacquisition Programs" (are presently very advantageous for companies and their shareholders), NY Law J., 1975; "The Leveraging of America" (the more leveraged buyouts today, the more bankruptcies tomorrow), Wall St. J., 1984; "New Rules Should Be Cost Effective", Wash. Post, 1985; "The Securities Industry and Markets - Past, Present and Future", Natl. Press Club, 1985; "Why RICO Needs Reforming", Fortune, 1986; "Global Securities Markets - The Benefits and The Challenges", Intl. Org. of Securities Commissions, Paris, 1986; "Insider Trading Caveat: Only Ethics Pays", Wall St. J., 1987; "Phase Out US-EC Agricultural Subsidies and Import Barriers", Dutch-American CoC, The Hague, 1987; "U.S. Trade Policy", The Hague, 1988; "Calming the Stock Markets", Wash. Post, 1988; "Global Securities Market Developments", Amsterdam, Paris, London, Singapore, Hong Kong, Tokyo, Seoul, 1989; "The Importance of Investor Protections", Kuala Lumpur, 1991; others.

Awards: Investment Banker of the Year (1972) from Finance Magazine; Business Statesman of the Year (1988) from the Harvard Bus. Sch. Club of NY; distinguished service and similar awards from the SEC, the Natl. Conf. of Christians and Jews, the Natl. Assn. of Investment Clubs, the Harvard Bus. Sch., the NYU Alumni Federation, the USC Sch. of Bus. Adm., others.

Not-for-profit Boards: Harvard Bus. Sch. Associates; Hoover Institution, Stanford Univ.; SEC and Financial Reporting Inst., Univ. of Southern Calif.; Natl. Legal Center for the Public Interest, Wash., D.C.; Center for the Study of the Presidency, NYC; Chicago Board Options Exchg.; New York Arthritis Foundation; Netherlands-American Amity Trust, Wash., D.C.

Clubs: In NYC: the Century, University and India House. In Wash., D.C.: the Metropolitan and Chevy Chase Country Club. In Conn: Greenwich Country Club.

Family: He was married (1952-88) to the late Patricia Pratt Shad, has two adult children and lives in New York City.

THE WHITE HOUSE
WASHINGTON

Date: 12/4/91

TO: Jan. Burmeister

Can you handle this
request -- or should
C.B. Gray?

FROM: GLORIA CHONKA
Presidential Correspondence,
Mail Analysis
Room 58, Extension 6600



The Honorable George H. W. Bush
President of the United States
The White House
Washington, DC 20500



PAUL L. DAVIES, JR.
50 FREMONT STREET, SUITE 3520
SAN FRANCISCO, CA 94105



THE PRESIDENT

December 18, 1991

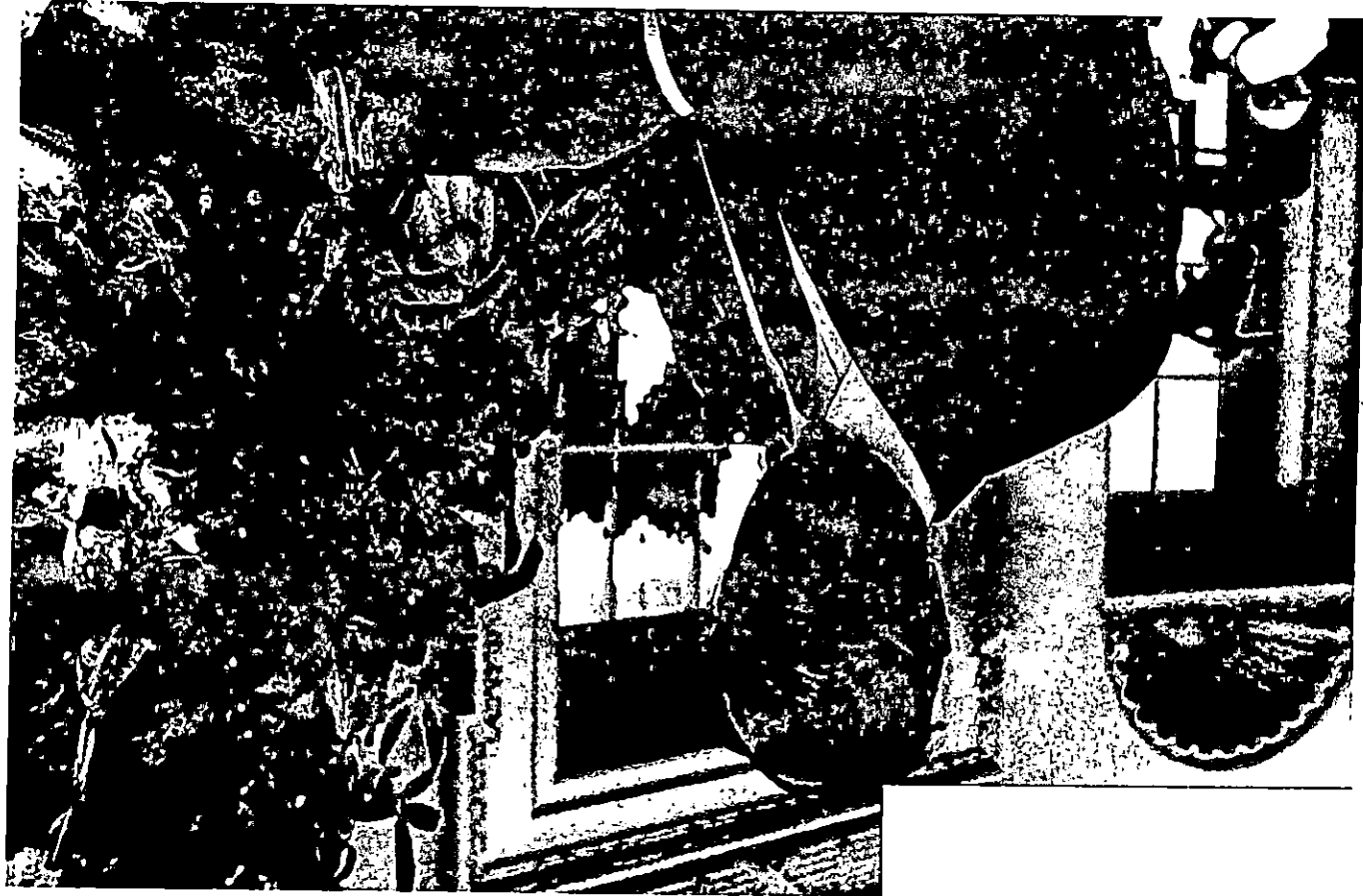
Dear Nancy:

Many thanks for your December 10 note. Thanks, too, for sending along that wonderful carved eagle done by Eddy Shorty. Please pass along to him my appreciation for his thoughtfulness, and this photograph taken next to the Christmas tree in the Oval Office.

I hope you have a wonderful 1992. Warmest best wishes,

A handwritten signature in cursive script, likely belonging to George H.W. Bush, written in dark ink.

To Edith Shontz
Thanks for two beautifully covered Eagle
Good Luck Ag 13th
1991



The President

Nancy Clark Reynolds

December 10, 1991

Dear Mr. President and Barbara
I am sorry I was unable
to accept your Christmas party
invitation - especially since it
was just Christmas in Washington
We are moving on to Santa
Fe next month - and I shall
not forget your many kind -

nesses to me. I am very
appreciative.

As you know, New Mexico is full
of struggling artists - and one
of them carved this: Charming
eagle. I am sending you for you
to buy it. I bought it for an auction
to benefit the Wheelwright Museum.
The artist is Navaho sculptor who
is young and poor. His name is
Eddy Shanty - and he is thrilled
to think you will even see it.

You have my full support always
Sincerely, Mary

12/17/91 1430
called Jenny
a confirmed
we have current
address.

RAY SCOTT



December 12, 1991

Ms. Patti Presock
Assistant to the President
White House
Washington DC

Dear Ms. Presock,

The President's note to Mr. Scott dated November 15 arrived today, four weeks later, although through no fault of the White House. Mr. Scott has requested that I contact you with this message: "Please, please, please do what you can to have my address changed!"

Patti, because he now works out of his office in his home, can you make the necessary changes in address and phone number.

Ray W. Scott
Route One, Box 527
Pintlala, Alabama 36043
(205)284-8315

Thanks so much.

Sincerely,

Jenny Olive

Jenny Olive
secretary to Ray Scott

284-8315
205-281-3006

RAY SCOTT



Ms. Patti Presock
Assistant to the President
The White House
Washington DC



RT. ONE, BOX 527
PINTLALA, ALABAMA 36043

SH





Aboard Air Force One

Dec. 18, 1991

Dear Glenn,

I received that wonderful letter; and I just wanted to thank you for your service to Country and to wish you well in the future.

You and Lee have earned some private time and I know your future will be full of joy and adventure.

Have a Merry Christmas, and, again, my thanks for your letter.
Sincerely,

Ag Bush

The Honorable Glenn M. Anderson
House of Representatives
Washington, D.C. 20515

911220



HHS HIGHLIGHTS

THE BUSH - SULLIVAN RECORD

Under the leadership of President George Bush and Secretary Louis W. Sullivan, M.D., the Department of Health and Human Services (HHS) has moved aggressively to address our nation's most pressing health and social problems.

With some 250 domestic programs, HHS has the federal government's largest budget -- accounting for about 38 percent of all federal spending. The two largest federal programs, for example -- Social Security and Medicare -- are part of HHS.

The period since President Bush took office has been among the most dynamic in HHS's history. Among the highlights:

- o ✓ Major new initiatives addressing the problems of infant mortality, immunization, lead poisoning, tobacco use, child abuse and neglect, alcohol and drug abuse, minority males, and women's health.
- o ✓ A revitalized Food and Drug Administration, the most sweeping overhaul of its food labeling regulations in over fifty years, and major reforms in its drug approval process.
- o ✓ Development and release of "Healthy People 2000," a targeted, comprehensive health promotion and disease prevention strategy for America.
- o ✓ Creation of the Administration for Children and Families, which combines HHS's wide array of programs for children and families within a single operating division.
- o ✓ Greatly intensified efforts on HIV/AIDS prevention, on educating the public about HIV/AIDS, and on speeding the availability of drugs and services to the HIV/AIDS affected.

The following pages offer a capsule summary of many, but by no means all, of the outstanding accomplishments achieved by the Department of Health and Human Services under the Bush/Sullivan stewardship.

HHS HIGHLIGHTS
THE BUSH - SULLIVAN RECORD

CONTENTS

HEALTH PROMOTION/DISEASE PREVENTION.....	3
HEALTH CARE REFORM.....	4
CHILDREN AND FAMILIES.....	6
WOMEN'S HEALTH.....	8
OLDER AMERICANS.....	9
FOOD AND DRUG INITIATIVES.....	10
ALCOHOL AND ILLICIT DRUG ABUSE.....	11
BIOMEDICAL RESEARCH.....	12
MINORITY HEALTH.....	13

HEALTH PROMOTION/DISEASE PREVENTION

Health promotion and disease prevention efforts offer our best opportunity to reduce preventable disease, disability, and premature death in America. It has been estimated that upwards of 900,000 of the 2.2 million deaths that occur each year are avoidable. Under President Bush and Secretary Sullivan, health promotion and disease prevention have become major priorities -- at HHS and throughout the nation.

✓ Healthy People 2000 -- A targeted, comprehensive health promotion and disease prevention strategy for the United States was completed in September 1990. "Healthy People 2000," a 672-page document offering specific goals, will serve as a guide for policies to improve the health of the American people for the remainder of this century.

✓ Infant Mortality -- The Bush Administration's "Healthy Start" initiative represents a major new effort to reduce the intolerably high infant mortality rate in the United States. Demonstration grants targeted to 15 cities and rural areas with excessive infant deaths are intended to develop techniques for reducing infant mortality rates in the U.S. by up to one-half in five years.

"Healthy Start" builds on the already substantial resources -- some \$5 billion -- HHS is spending under President Bush on programs to decrease infant mortality and improve maternal and infant health. They include Maternal and Child Health block grants, support to 525 Community Health Centers and Migrant Health Centers, and the Centers for Disease Control's pregnancy risk assessment monitoring system.

✓ Immunization -- In a far-reaching Immunization Initiative to address low immunization rates among certain populations of pre-school children, the Bush Administration is actively supporting innovative, comprehensive approaches at the state and local levels with the goal of ensuring that 90 percent of our children under age 2 are fully immunized by the year 2000.

HHS's budget for immunization activities has risen from \$98.2 million in 1988 to a proposed \$257.8 million for fiscal year 1992. Among the new approaches already being undertaken by the Centers for Disease Control are "express lanes" for vaccinations in public clinics, making vaccinations available in hospital emergency rooms, and making vaccinations available through the Women, Infants, and Children (WIC) and Aid to Families with Dependent Children (AFDC) programs.

Lead Poisoning -- The Bush Administration developed a "Strategic Plan to Eliminate Childhood Lead Poisoning," describing actions that can be taken at all levels to help eliminate this disease within 20 years. New CDC guidelines call for less than half of the blood level of lead than previously advised. And new efforts are being initiated to screen children and remove lead from homes, neighborhoods, water supplies, and the air. The Administration has requested an increase of over 400 percent in funding for lead poisoning.

HIV/AIDS -- The widely acclaimed "AIDS Prevention Guide," designed to help parents and other adults give our young people the information they need to protect themselves against the HIV virus, was first released in 1989. It is only one part of a comprehensive program of HIV and AIDS prevention efforts which also include the National AIDS Hotline, the National AIDS Clearinghouse, public service advertisements, and assistance to state AIDS programs.

HHS spending on research, prevention, and education efforts will total almost \$2 billion in fiscal year 1992 -- a 50 percent increase since President Bush took office.

The appointment by President Bush of the widely admired basketball great "Magic" Johnson to the National Commission on AIDS presents a broad new opportunity to educate Americans, young and old alike, on methods of preventing HIV infection and on developing sorely needed compassion and respect for those afflicted with HIV and AIDS.

Tobacco Use -- Secretary Sullivan has become the nation's leader in the battle against tobacco use -- the number one preventable cause of disease and death in America. ASSIST, the largest-ever national program to combat smoking, was launched in October 1991. Its goal is to help more than 4.5 million adults to stop smoking and 2 million more young people never to start. And a model bill for states to use for restricting minors' access to tobacco was developed and released in May 1990.

HEALTH CARE REFORM

President Bush and Secretary Sullivan believe America offers the best health care system in the world. But because of the serious problems of rapidly escalating health care costs and the denial of access to the system for too many Americans, they share the view that reform of our health care system is needed. They have developed the following principles upon which they believe reform must be based:

Health Care Must Be Accessible To All Americans -- We must remove unnecessary barriers to obtaining health insurance for the some 33 million Americans without it. Elimination of these barriers should be the basis of a public/private national plan to provide access to health care for all Americans.

We Must Find Ways To Cut Health Care Costs -- National health care spending rose to 12.2 percent of our GNP in 1990, compared with 9 percent in 1980 and 7 percent in 1970. Choice is a key component. Market forces must be used to our advantage to encourage individual financial responsibility and to achieve greater efficiency.

We Do Not Need Wholesale Change -- Our system of private/public partnership has many strong and vibrant features and has served America well for many years. Adjustments are needed, but we must not act foolishly and threaten the excellent quality of care the majority of Americans receive.

Nationalized Medicine Is Not A Viable Option -- Federally-run, federally-financed health systems in other countries are characterized by diminished health care services, delays in providing care, and outright denial of care for some. It is ironic that when the rest of the world is moving away from the inefficiencies and shortages of centrally-managed economies, some propose that we go in the opposite direction.

As a first step in the reform process, the Bush Administration has offered a seven-pronged approach to constrain health care costs and provide better access to health care for all Americans:

Insurance for Small Businesses -- Making the cost of health insurance more affordable and stabilizing the insurance market for small businesses.

Effectiveness -- Encouraging the use of more cost-effective health care procedure through effectiveness research.

Tax Policies -- Exploring tax policies that would both increase consumer awareness of the true cost of health care and distribute current tax subsidies more equitably.

Primary Health Care -- Upgrading and expanding primary health care, especially the National Health Service Corps (NHSC) and Community and Migrant Health Centers, which provide health care for over 5.4 million of our neediest and most vulnerable citizens. Under the Bush Administration, funding for NHSC has already risen to \$48.8 million in fiscal year 1991 from a low of \$2.3 million in fiscal year 1987.

Malpractice Costs -- Encouraging states to adopt tort reforms through enactment of the President's proposed legislation, the "Health Care Liability and Quality of Care Improvement Act."

Administrative Costs -- Working to reduce administrative costs in our current private/public health insurance system. To this end, Secretary Sullivan convened a forum of insurance executives and representatives of hospital and physician organizations in November 1991.

Managed Care -- Easing barriers to high quality, cost-effectively managed and coordinated care.

CHILDREN AND FAMILIES

The Bush Administration is guided by the firm conviction that America's children are our most precious resource and that strong, self-sufficient families represent the basic building blocks of our society. Accordingly, the Administration has committed itself to a greater emphasis on the needs of the nation's children and families. And it is fulfilling that commitment.

Administration for Children and Families -- In a major reorganization designed to fulfill the Administration's commitment to strengthening families, the Administration for Children and Families (ACF) was created in April 1991. It combined HHS's wide array of programs for children and families within a single operating division with a staff of over 2,000 and a budget of \$27 billion in fiscal year 1991.

Head Start -- President Bush's number one National Education Goal is to have every child in America start school ready to learn. During the Bush Administration, Head Start, the early childhood development program for low-income children, has witnessed the largest expansion in its history. Its budget has been increased by 58 percent, enrollment is up by 145,000 to just under 600,000, and it now serves 55 percent of all low-income children for at least one year prior to their entry into kindergarten.

JOBS Program -- The Job Opportunities and Basic Skills Training (JOBS) program, which assists welfare recipients to become self-sufficient, was implemented in all 50 states by October 1, 1990. JOBS requires states to provide education, training and work activities to welfare recipients. For example, teenage mothers who have not completed high school must go to school on a full-time basis and child care is provided for their children while they attend school.

Expanded Medicaid Eligibility -- Beginning in April 1990, Medicaid coverage was required for pregnant women, and children up to age 6, with incomes below 133 percent of the federal poverty level. Coverage of children up to age 19 with incomes below 100 percent of poverty is being phased in. And Medicaid demonstration projects are testing expanded coverage for pregnant substance abusing women and coverage for low income families not otherwise eligible.

The Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program has been greatly enhanced -- states are now required to provide children with treatments for conditions discovered during a screening visit, regardless of whether such conditions are ordinarily covered by the state program. And EPSDT providers are now required to perform lead blood level assessments appropriate to age and risk as part of the routine screening. If blood poisoning is detected, Medicaid must cover the

Child Support Enforcement -- A record-high \$6 billion was collected from absent parents on behalf of their children through the Child Support Enforcement program in 1990. And paternity was established for over 393,000 children born out of wedlock, an increase of more than 54,000 over the previous year.

Child Care and Development Block Grants -- This new program, begun in September 1991, provides financial assistance to low-income families with a parent who is working or attending a training or educational program. The parent is given a variety of options in addressing child care needs. The purpose of the program is to increase the availability, affordability, and quality of child care.

At-Risk Child Care Program -- Established in October 1990, this program provides child care assistance to families who are at risk of going on welfare if they do not receive employment-related child care assistance.

Child Abuse and Neglect -- Under an initiative launched in 1990, HHS is pursuing aggressive activities to enhance public awareness of the problem, to identify knowledge gaps, to formulate a research agenda for the future, and to support innovative prevention and other service-oriented projects.

Service Integration -- In recognition of the complex and multiple problems of many families, HHS is working with a number of states and local communities to better integrate services. The goal is to focus on an integrated approach to providing assistance which increases the self-sufficiency of families.

WOMEN'S HEALTH

A vast knowledge gap exists between men's and women's health -- how, for example, different disease conditions uniquely affect women, and the different prevention and treatment measures women require. The Bush Administration has established women's health needs as a national public health priority and is moving forward with bold, new initiatives.

Women's Health Initiative -- The Bush Administration has proposed the largest-ever study of women's health issues. The Women's Health Initiative will, at a cost of an estimated \$500 million over 10 years, track at least 140,000 women to evaluate preventive approaches to cancer, heart disease, and osteoporosis.

Action Plan for Women's Health -- Released in September 1991 by the Public Health Service, the Action Plan for Women's Health lists the results of a nationwide assessment of the priority health concerns confronting women and identifies specific goals to be pursued and activities to be undertaken by HHS.

Breast and Cervical Cancer -- The Bush Administration has proposed a 52 percent increase in funding for breast and cervical cancer prevention -- to \$410 million. These funds will be used to pay for mammograms and pap smears for needy women, expand public education efforts on the detection and control of these cancers.

HIV/AIDS and Women -- The Social Security Administration published regulations listing symptoms for determining disability that, for the first time, take into account the fact that HIV and AIDS may manifest themselves differently in women.

Disability Benefits for Widows -- The Social Security Administration published regulations allowing widows to receive, for the first time, consideration of the same factors to determine disability as those used for workers.

The Surgeon General Speaks Out -- Surgeon General Antonia C. Novello, M.D., appointed by President Bush, has emerged as one of the nation's most powerful voices on behalf of women's health. Her no-nonsense approach -- "If you're going to smoke like men, you're going to die like men" -- has sparked a new awareness among women of the need to focus more keenly on health promotion and disease prevention issues.

OLDER AMERICANS

Our nation's older citizens represent not only a link to our past -- but a bridge to the future in the depth of their experience and their adherence to the values representing the best of America. The Bush Administration is committed to safeguarding the interests of our older Americans and to enhancing the quality of their life.

Social Security -- President Bush said, in his 1990 State of the Union address, "The last thing we need to do is mess around with Social Security." Because he has held firmly to this commitment, the Old Age and Survivors Insurance fund, from which Social Security benefits are paid, remains financially sound and will remain so well into the next century.

Nursing Homes -- Major new federal requirements to improve the quality of care in nursing homes and protect residents' rights became effective in October 1990. Also in 1990, a rule was issued which protects nursing home residents from being charged for costs payable by Medicare and Medicaid. And regulations requiring, for the first time, nurse aides in nursing homes to meet training and competency standards were issued in September 1991.

Breast and Cervical Cancer/Medicare -- Because half of all new cases of breast cancer occur in women aged 65 and older, the Medicare program began helping to pay for mammograms, to screen for early detection of the disease, in January 1991. Some 5.3 million women are expected to receive these benefits in fiscal year 1992. And Medicare began helping to pay for cervical cancer detection in July 1990.

Prescription Drug Safety -- So far in the Bush Administration, the Food and Drug Administration has issued guidelines intended to encourage drug manufacturers to carry out thorough evaluations on the effects of drugs on people over age 65; and has issued a rule requiring that information about the effects of prescription drugs on the elderly be included in the drugs' physician labeling.

Misleading Solicitations/Advertising -- The Bush Administration has cracked down on the deplorable practices of using terms, symbols, or emblems to mislead the elderly into thinking that solicitations or advertising represents official correspondence or endorsement from the Social Security Administration or the Health Care Financing Administration (Medicare). Under new regulations, violators now face stiff monetary penalties for such practices.

National Eldercare Campaign -- Launched by HHS's Administration on Aging in December 1991, the National Eldercare Campaign is a nationwide, multi-year effort to mobilize the resources of a wide spectrum of individuals, agencies, and organizations on behalf of older persons at risk of losing their self-sufficiency.

Medicare/Medigap -- The Bush Administration is implementing sweeping reforms in the supplemental health insurance for Medicare beneficiaries known as Medigap. Beneficiaries may no longer be denied coverage because of pre-existing conditions if they buy a Medigap policy within six months of becoming eligible. One standard benefit package must be offered by every carrier that fills in gaps such as drug reimbursement. Additional changes will simplify the language of policies.

FOOD AND DRUG INITIATIVES

President Bush's goal for the Food and Drug Administration was to revitalize -- and restore public confidence in -- the ability of the agency to regulate the safety and effectiveness of food products, medicines, and medical devices. Many of the boldest and most ambitious actions in the agency's history have already been undertaken.

Food Labeling -- The most sweeping overhaul of food labeling regulations in over fifty years was announced in November 1991. The new regulations will end the confusion consumers now face, eliminate unfounded claims, and -- for the first time in our nation's history -- provide Americans with the clear, true, and understandable information they need to make healthy dietary choices.

Drug Approval -- Major reforms in the FDA's drug approval process were announced in November 1991. Under these reforms, patients with serious and life-threatening diseases will benefit from earlier access to important new drugs; unnecessary regulatory burdens will be eased; and American competitiveness will be strengthened.

Drug Effectiveness -- In a broad clean-up of ineffective ingredients in non-prescription drug products, the FDA banned 223 ingredients in 19 classes of products in November 1990. The ineffective substances banned range from pine tar in dandruff products to ox bile in laxatives.

HIV/AIDS Drugs -- In May 1990, the Bush Administration announced the "parallel track" plan for speeding the availability of investigational new drugs for people with HIV and AIDS-related diseases. And in October 1990, the FDA approved dideoxyinosine (DDI), the second drug (AZT is the other) that has been found to be effective against AIDS.

ALCOHOL AND ILLICIT DRUG ABUSE

The toll exacted on health, society, and the economy by alcohol and illicit drug abuse is staggering. In the most recent study, the cost of alcohol problems in America were estimated to exceed \$70 billion a year, with an additional \$44 billion a year attributed to drug problems. Charged with addressing the health aspects of alcohol and drug abuse, HHS in the Bush Administration has moved forward vigorously with bold new initiatives.

ADAMHA Reorganization -- The Bush Administration has proposed a major reorganization of the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA) which will allow for enhanced basic research and more effective targeting of alcohol, drug abuse, and mental health preventive and treatment services to the people who need them.

National Training Center -- The Bush Administration announced establishment of a National Volunteer Training Center for Substance Abuse Prevention in October 1991. Headquartered in Washington, D.C. with five training sites to be designated in each of the 10 HHS regions, the center will train thousands of volunteers from around the country in effective anti-drug abuse strategies.

Perinatal Addiction Center -- Establishment of a National Perinatal Addiction Prevention Resource Center was announced in August 1991. Based in Washington, D.C., the center will provide information, training, and technical assistance for public policy development related to maternal alcohol and drug use, both before and after giving birth.

Grants for Addicted Women and Children -- The availability of grants was announced in February 1991 for demonstration projects to seek effective methods of coordinating medical care with drug treatment and other services for Medicaid-eligible, drug-addicted pregnant women and children.

Waiting List Reduction Grants -- A \$75 million grant program to help drug treatment facilities to reduce or eliminate waiting lists was begun in 1989. Priority is given to applicants that have the largest waiting lists and the longest average wait for services.

Community Partnership Program -- Launched in April 1990, this initiative supports some 150 demonstration grants to fight alcohol and drug problems through community-based coalitions of public agencies and private organizations.

"Campus" Demonstration Program -- A \$68 million program launched in August 1991, this program provides funding for communities to introduce a "campus" approach in residential treatment programs, under which as many as five to eight providers using different methods occupy a common facility.

BIOMEDICAL RESEARCH

Biomedical research is crucial in our efforts to address many of America's most pressing health problems -- diseases such as cancer, AIDS, heart disease, and many others. The Bush Administration has placed a high priority on strengthening our biomedical research efforts and capabilities.

Human Genome Project -- The Bush Administration is pushing ahead vigorously in support of the massive effort to map the human genome -- literally to understand the information encoded on the human chromosome. Gene mapping will help us understand inherited disorders and could lead to new strategies for the prevention of more than 3,500 diseases of known genetic origin, and to a better understanding of other diseases such as cancer, depression, and hypertension.

Medical Treatment Effectiveness -- In 1989, HHS created an agency to conduct a program of research on medical treatment effectiveness. This research provides scientific information about the most effective medical strategies for practitioners, consumers, employers, educators, and insurers.

Public/Private Partnerships -- The Bush Administration is working to form a greater partnership between public and private research. Laboratories in several Public Health Service agencies are, for example, collaborating with industry scientists in joint research projects under Cooperative Research and Development Agreements.

MINORITY HEALTH

There remains in our nation a shockingly wide disparity in health status between our white and minority populations. In almost every category of mortality, for example, minority deaths are greater than those of whites. Since our minorities are disproportionately represented among our disadvantaged, many of the programs and initiatives mentioned above have their greatest impact among these groups. However, the Bush Administration has recognized the need to take steps aimed specifically at our minority populations.

Minority Male Initiative -- This new special initiative reaches out to young minority males who, as a group, are faced with serious health and social problems at rates far exceeding the population at large. It provides funding to local organizations for efforts to find local solutions to specific local problems, and for demonstration projects to support innovative programs of outreach and service coordination.

The initiative includes program activities of several agencies such as the Minority Male Grant Program, the High-Risk Youth Grant Program, the Critical Populations Grant Program, the Target Cities Grant Program, and the Criminal Justice Program.

Health Training and Research -- The Bush Administration has requested a more than 18 percent increase in funding for the training and deployment of health professionals serving minority communities. Initiatives include a significant expansion of the National Health Service Corps recruitment program, recapitalizing the health professional Student Loan Program, and the establishment of a new federal construction program to enable historically black colleges to improve their research infrastructure.

The National Institutes of Health is developing a 4-year plan to increase support for minority health and training, establishing Minority Program Advisory Board, and supporting pilot projects aimed at developing new approaches recruiting and retaining minority students in the health professions.

THE PRESIDENT HAS SEEN

THE HERITAGE LECTURES

356

**Fifty Years After
Pearl Harbor:
The Future of
U.S.-Japan
Relations**

By Richard V. Allen



The Heritage Foundation was established in 1973 as a nonpartisan, tax-exempt policy research institute dedicated to the principles of free competitive enterprise, limited government, individual liberty, and a strong national defense. The Foundation's research and study programs are designed to make the voices of responsible conservatism heard in Washington, D.C., throughout the United States, and in the capitals of the world.

Heritage publishes its research in a variety of formats for the benefit of policy makers; the communications media; the academic, business, and financial communities; and the public at large. Over the past five years alone The Heritage Foundation has published some 1,500 books, monographs, and studies, ranging in size from the 927-page government blueprint, *Mandate for Leadership III: Policy Strategies for the 1990s*, to the more frequent "Critical Issues" monographs and the topical "Backgrounders," "Issue Bulletins," and "Talking Points" papers. Heritage's other regular publications include the *SDI Report*, *U.S.S.R. Monitor*, *Business/Education Insider*, *Mexico Watch*, and *Policy Review*, a quarterly journal of analysis and opinion.

In addition to the printed word, Heritage regularly brings together national and international opinion leaders and policy makers to discuss issues and ideas in a continuing series of seminars, lectures, debates, briefings, and conferences.

Heritage is classified as a Section 501(c)(3) organization under the Internal Revenue Code of 1954, and is recognized as a publicly supported organization described in Section 509 (a)(1) and 170(b)(1)(A)(vi) of the Code. Individuals, corporations, companies, associations, and foundations are eligible to support the work of The Heritage Foundation through tax-deductible gifts.

Note: Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

The Heritage Foundation
214 Massachusetts Avenue, N.E.
Washington, D.C. 20002-4999
U.S.A.
202/546-4400

Fifty Years After Pearl Harbor: The Future of U.S.-Japan Relations

By Richard V. Allen

Judging from the avalanche of information, analysis, and retrospective about Japan's unprincipled and wanton attack against the fleet at Pearl Harbor fifty years ago, it might be best if we could pass quietly by December 7th, the day that truly has lived in infamy.

This is not to suggest that we ignore the enormous sacrifice, human and material, that this country made to respond to Japan's aggression and to restore peace and stability to the Pacific region. Nor is it to suggest that we should lose the opportunity to remind Japan that these memories have very deep roots in our national consciousness, and that the United States, fortunately, would never again permit itself to be in such a vulnerable military position vis-a-vis a potential aggressor.

To be sure, especially for those of us who can actually remember that day, as I can, there is an enormous sense of nostalgic remembrance about December 7th, for it was a turning point in our lives, an historical determinant of our future.

Three weeks short of my sixth birthday in December 1941, I can vividly recall the news of the attack pouring out of the Philco radio in the living room of our New Jersey home. I asked my father what "war" meant, and cannot recall his answer. The next day he bought a rifle and a short-wave radio; our neighbors became air raid wardens, policing the local gentry and making sure our lights were off when the sirens took us into alerts.

Forty-eight months later, in August 1945, while at summer camp in the New Jersey pinelands, I saw a huge headline, which I'll never forget, in the *Philadelphia Daily News* that said, simply, "A-Bomb May Win War." Within days it was all over; Japan's military power had been crushed, and the nation lay in ruins.

Little did I realize that my initial, distant, but clearly hostile encounter with Japan during those years of World War would be tempered by the extraordinary opportunity I have had to examine that country, its people, its culture, and its values from the perspective of scholar, government official, and businessman.

Effective Psychological Warfare. Like all children in their formative years during the War, I was deeply influenced by the masterful and massive psychological domestic warfare campaign against Japan—extraordinarily racist in content and tone—designed to engender hatred and loathing of the enemy. It was everywhere—in the comic strips, on the radio, in the movies—and it was intensive. No one in America could withstand the effectiveness of this no-holds-barred campaign against Japan—and, indeed, it provided the nation with the gritty determination to visit massive destruction and grief against the nation that had conducted a cowardly sneak attack against our country.

Thus, when I first visited Japan in late 1967, I was prepared for virtually anything. To my surprise and amazement, no one wanted to talk about the past. Only the future mattered to my interlocutors, some of them of great political stature, and they offered no signs of resentment toward

Richard V. Allen is Chairman of the Advisory Board, Asian Studies Center, The Heritage Foundation; Chairman, The Richard V. Allen Company; and Chairman, Credit International Bank.

He spoke at The Heritage Foundation on December 3, 1991.

ISSN 0272-1155. ©1991 by The Heritage Foundation.

the United States. By and large, over more than twenty years, and thousands of contacts at all levels, the attitude of Japanese I have known has remained constant, in the sense that respect for this country has been a permanent factor. I believe that most Japanese today continue to respect this country, and they hope for American leadership in the world as well as for American prosperity at home.

"Communications Gap." But, as we turn to the theme of this brief discourse, the future of U.S.-Japan relations, we do so in a highly charged atmosphere, laden with emotion and even outright hostility. The atmosphere in this country is thick with suspicion and rancor, and the future of our relationship with Japan even promises to become an issue in the 1992 Presidential campaign.

From where I sit at the moment, I conclude that this drift, dangerous as it is, is becoming steadily worse. The so-called "communications gap" that I discovered in the late 1960s is today deeper and wider than it was then, despite all that has occurred in the intervening years.

If I were an airline pilot, I'd be warning my passengers to buckle in tight as we approach a zone of substantial, if not extreme, turbulence. Turbulence of this type can weaken the structure of an aircraft, or even destroy it. Of course, there is very little chance that we will witness an epochal event in Japanese-American relations, or that there will be a single, dramatic moment of catastrophe. But it is entirely possible that the zone of turbulence will be prolonged, and that to exit it safely, we may have to, or may be forced to, change course. And if we change course, we will henceforth be on a different footing entirely with Japan.

In the more than two decades I have been observing the process of U.S.-Japan relations, there have been many tense moments. Typically driven by sectoral trade disputes, disagreements between the two countries were usually resolved by negotiations accompanied by pressures and, sometimes, threats. Almost always a solution, or at least a stop-gap remedy, has been found. Whether it was textiles, specialty steel, television sets, consumer electronics, or automobiles, negotiators on both sides ultimately worked their way to a form of resolution. It has been interesting to watch, and sometimes participate in, this never-ending cycle of sectoral disputes: Each time, the Japanese concluded with satisfaction that relations had returned to normal, only to be disappointed by the emergence of another trade dispute that threatened to disrupt the harmony they prefer in their brand of diplomacy. For our part, while we have not distinguished ourselves by arguing about barriers to U.S. beef, citrus, and now rice exports to Japan, we have become increasingly willing to protect U.S. trade interests in sectors that really do matter, such as machine tools, construction, and services.

Masking Fundamental Causes. But this kind of wrangling, important as it is, tends to mask what are surely more fundamental underlying causes of discord, and it leads to the question of whether, when all is said and done, the respective national interests of Japan and the United States are essentially similar or essentially dissimilar. Depending on your answer, you can arrive at vastly different conclusions.

Diplomats on both sides will insist that the two countries are bound tightly in a natural alliance of interests, and that the constant bickering reflects only the normal behavioral patterns of a marriage. Legislators on both sides are not at all convinced of the commonality of interests, and in particular U.S. Members of Congress are increasingly skeptical about, if not downright hostile to, Japan's long-range intentions, which are perceived to diverge from ours. Scholars and specialists on both sides continue to press for patience and understanding by policy makers, arguing that the situation needs time to right itself, to adapt to the demands of fast-paced global change. Economists, who may also from time to time be classified as scholars, exhibit mixed reactions about the identity of interests, but are clearly concerned about the profound economic imbalances in the relationship. There was once a time in American political life that a national politician would argue for

understanding and restraint in putting the wood to the Japanese, but in recent years even these fellows have disappeared.

Vocal Japan Critics. In place of the earlier, more congenial mood of toleration in this country, there is a rapidly growing, vocal, and very effective group of Japan critics, ranging from instinctive Japan-bashers to thoughtful experts whose analysis leads them to the most baleful conclusions. If you've watched this trend develop, you've felt the ground shift and have probably concluded that something major is under way in how we view our future with Japan.

Recalling that consistent U.S. foreign policy has been predicated on the need for a vigorous and strong Japan, and that U.S. defense policy for decades has encouraged Japan to devote a larger share of its annual budget to expanding its defensive capabilities and assuming wider responsibilities, what are we to do now that the principal threat to U.S. interests in the region, the Soviet Union, has collapsed and is no longer a true challenge? After all, Japan steadily resisted the drumbeat of U.S. pressure to assume greater defense burdens, and only with enormous reluctance penetrated the self-imposed threshold of 1 percent of GNP devoted to defense.

Now, by virtue of its industrial policy, Japan has in place the infrastructure and the technology to develop a substantial military machine—if it wishes. Although there are no indications at the moment that Japan intends to harness its industrial capability for a military build-up, the mere existence of the capability makes its neighbors increasingly uneasy; they have painful, vivid memories of Japanese military prowess in the 1930s and 1940s.

For our part, we are actively searching for ways to cut our overseas commitments. That such cuts are terribly premature is an argument few are willing to hear, and the pressures to reallocate scarce resources are heavily focused on the high cost of maintaining the U.S. presence abroad. Why, it is argued, should the U.S. pay the freight for defending the Pacific Basin area, principally Japan, when it is awash in prosperity and enjoying persistent huge trade surpluses with the U.S.—in Japan's case more than \$100 billion?

Uneasy Asian Neighbors. Complicating the picture is that Japan's neighbors, in whom Japan is investing massively and on a scale we will not and cannot match, (a) have the uneasy feeling that the United States is in the frame of mind to withdraw from the region; and (b) are convinced that the United States does not have an articulated, well-thought-out, updated policy for the Pacific Basin. They feel that the attentions of Washington have been drawn to Europe, Eastern Europe, and what was once the Soviet Union, and that the U.S. is essentially incapable of conducting a dynamic policy on more than one front at a time.

If the United States disengages, or is seen to be disengaging, albeit slowly, from Asia, and if Japan continues its present dynamic regional expansion, the effect may be either that of a vacuum to be filled or a simple lateral placement of one influence by another. I cannot see how this will benefit U.S. interests, or that of our non-Japanese allies and friends in the region. In fact, once displaced for any reason, U.S. influence on the region will not easily, if ever, be restored.

Some Japanese obviously see this as a great opportunity; others, untroubled by the geographical consequences of economic success, contribute to the opportunity without sensing the disturbance it causes; still others, very few, do understand what's happening, don't like it, but are incapable of doing anything about it.

At the extreme, let us consider the prospect of Japan inviting the U.S. to withdraw from the three air bases, the naval base at Yokosuka, and the marine base on Okinawa, perhaps as a result of severely strained relations. What signal would that send to the region? To Japan itself? For those who subscribe to the "cork in the bottle" theory, as I do, the prospect of U.S. forces being ejected from Japan is almost too unpleasant to consider, and the consequences of not doing so under conditions of potential duress are equally unpalatable.

In the era we have recently entered since November 1989 and the collapse of the Soviet Union, an era in which stupendous events are severely compressed in time, decisions with long-lasting consequences must be made quickly. There are also long-term penalties for making the wrong decisions. The narrower, sectoral issues in U.S.-Japan relations have diminished, only to reveal the large, structural, systemic differences so large and complex that they seem nearly insoluble.

Is it to be our objective to dissuade Japan from continuing its economic expansion, its pattern of heavy long-term investment in Asia (or even in the United States?), its increasing share of the defense burden, its exports to the United States? What is it, exactly, what we'd like to see Japan do or not do?

And once we've decided on these matters, how will we communicate them to Japan? How will Japanese react? Will they listen and heed us?

Structural Defect. One very large and important problem is the Japanese system of governance. While some insist it's a democracy, I'm not at all sure that it is, but I am convinced that Karl van Wolferen is right when he says that we make a fundamental mistake by thinking that we can communicate effectively with Japanese leaders; as he puts it so succinctly, "No one individual and no one interest group has the actual power to initiate a shift in priorities." Van Wolferen agrees that the "structural defect" in Japan's body politic actually prevents power groups from uniting for "a political change essential to Japan's national interest." If he is correct, then we are indeed on a true collision course with Japan, a course that will make inevitable what George Friedman and Meredith LeBard argue will be "The Coming War With Japan."

In the early years of serious sectoral trade disputes, even until recently, Japan's leaders expressed the constant concern that such quarrels would affect the basic "security relationship" between the two countries, and went to great lengths to shield the military link. Now, with the central threat removed and the prospects for military action in the Pacific (except for the Korean flashpoint) at an historic low point, there is one less reason for Japan to come to terms with the United States.

Vulnerable Economy. The Japanese perception of the national interest will, under these conditions, emerge as one substantially different from our notion of what is good for Japan. Added to the mix that includes what they call the "Japanese way of thinking," which we have been told we do not, and possibly cannot, understand, a meaningful dialogue with Japan, one leading to concrete, productive results, seems increasingly difficult to achieve.

Indeed, much of Japan's motivation to achieve what it defines as adequate security derives from weakness, not strength, and fear of the consequences of that weakness informs the policy makers who fashion the nation's dynamic expansion. While Japan does indeed have the world's second largest economy, it is at once a huge and vulnerable structure, completely dependent on outside and frequently distant sources of energy and natural resources, imposed upon a group of islands that cannot naturally support itself.

With the disappearance of the Soviet military threat, a key element of the U.S.-Japan interdependence, it is now very clear that, all along, Japan's notion of "security" has always been rooted in the context of economic security alone. The disappearance of the Cold War, seen by many in the United States as a golden opportunity to lay down arms, withdraw expensive military forces from distant places, and begin a new era of international cooperation on many fronts, will almost certainly be viewed differently in Japan. It is also unlikely that in these changed circumstances, Japan can long remain a second-class partner of the United States.

Apart from a need to consolidate its resource base, Japan must also begin to look elsewhere for markets. The United States has been the destination for one-third of Japan's exports, and Japan has

skillfully exploited the opportunity this open market has offered. There is handwriting on the wall in Europe, too, which has traditionally treated Japanese imports with a degree of severity.

Racing for Markets. Whether we like it or not, we are now in an era of racing to secure markets. It could not come at a worse time from our perspective, but if the United States is to sustain its influence and presence in Asia, we will have to work very hard, economically and politically. Japan recognizes that Asia presents an extraordinary opportunity, and is investing there at an unprecedented rate.

Elsewhere in the world, the Japanese economic pressure is expanding, especially in resource-rich underdeveloped nations.

An external complicating factor in the U.S.-Japan relationship will be the further consolidation of the European Community. The U.S. is not an active player at the forthcoming European summit meeting at Maastricht, where important changes in foreign, economic, and defense policies of the twelve European states will be made. While the U.S. is busily engaged in creating, with Mexico and Canada, a North American Free Trade Area, itself a huge and impressive market, our basic security interests are in the process of being reorganized without our influence—or, as Jeane Kirkpatrick has put it, “a new world order is precisely what is emerging on the continent of Europe today, and with minimal American participation.” This fact cannot be lost on Japan’s part.

It seems as though Americans are exceptionally well disposed to react to threats to our own security as long as the danger is stark and imminent. Our latest experience in the Gulf War is ample proof of our rapid response to an overt menace.

I am not ready to declare either European unity or Japan’s pursuit of its own interests an actual threat to the U.S.; there is adequate time and there are many opportunities for us to shape whatever form of world order is emerging. Simply enjoying the status of “sole surviving superpower,” however, will not be enough.

High Priority Task. How we organize our relationship with Japan, how we communicate our goals, and how we seek to realize those goals in the bilateral relationship with Japan will be a task of very high priority for the 1990s.

We need a new formulation of our long-range objectives in the Pacific Basin. Our relations with Japan are, to be sure, a central factor, but I truly believe Japan should not be the centerpiece of our Pacific diplomacy. It will not do to attempt to work out with Japan the future of our own policy toward the region; if this occurs, or if the impression that it will occur is given to other Asian nations, our long-range interests will be severely damaged. No Asian leader wants the protective mantle of U.S.-Japanese condominium; Asians recognize the importance of their independent links to the United States, and want no local filter for those relationships.

Thus, the United States must concentrate on the bilateral relationship with Japan, and the focus of President Bush’s forthcoming trip to Japan must be on our basic relationship with Japan, not the “shared responsibility” of Japan and the United States for Asia. We must avoid errors of the type recently committed in the matter of the future security of the Korean peninsula, when our Secretary of State unveiled a formula of “two plus four” talks on Korea not in Korea, but in Japan! We should not have been surprised by Korea’s flat rejection of the proposal.

Deteriorating Atmosphere. To warn Japan, to criticize Japan, is not “Japan-bashing.” This all-purpose term has lost its utility, having become a semantic and psychological refuge for people on both sides who do not want to confront the real, underlying issues in the relationship.

If we just look around us here in the United States, we can see a seriously deteriorating political atmosphere: the protectionist liberals are now being joined by the protectionist nationalists and conservatives. Unlikely, unexpected cooperation from the political flanks will inevitably have an

impact on the mainstream, and no army of lawyers, lobbyists, or public relations specialists will be able to dampen the growing demand for specific, targeted action against Japan.

Who wants this? Who needs it? There is, in my view, ample reason for the United States and Japan to work together. Why are we constantly up in arms about Japan, and why should we, in December 1991, feel outrage against Japan for its wartime aggression against the United States and not against the Fascist and Nazi brigands or wartime Italy and Germany?

The problem lies in our difficulty of forming a national consensus on goals in the U.S.-Japan relationship. This is clearly a task for Presidential leadership, based on the recognition that "success" in our efforts with Japan is not measured in press communiques, broad smiles, and declarations of friendship, but in achieving specific objectives such as market opening and observing the ground rules of international trade.

Working Toward Accommodation. Japan does have time to alter its determined pursuit of its own security interests to the disregard of the legitimate security concerns of others, including its neighbors and the other developed countries, particularly the United States. If it does, if it takes into account the requirements of the United States, it can avoid a series of jarring collisions in the years ahead. Adjusting the national interest to provide leeway for the interests of others has been a characteristic of U.S. policy in the postwar period; it has worked to produce the era which began with the fall of the Berlin Wall. Some will argue that it is unrealistic in these times to expect that, since the arguments in the world can be reduced to money and markets instead of merely avoiding military aggression and escaping a nuclear holocaust, nations will change their behavior.

It is certainly worth trying to work toward a status of accommodation with Japan, to achieve equilibrium in a relationship that is of crucial importance to us, to them, and to the world. Together, Japan and the United States can achieve great prosperity and mutual benefit; divided in anger and misunderstandings, both will lose much, and may be led to an eventual confrontation that neither had dreamed possible.

That would be a tragedy.



1:00 P.M. EST/12:00 P.M. CST NEWS UPDATE

TRIP (Eulless/Lawrence Knutson, AP) -- President Bush signed the new \$151 billion highway and transit bill, hailing it as a showcase for Administration action to create thousands of jobs and get a recession-bound economy "on the mend." "It's summed up by three words -- jobs, jobs, jobs," Bush said as he signed a measure which will "keep Americans on the move" as the 21st century dawns.

ECONOMY/GREENSPAN (AP) -- ...Alan Greenspan gave a lukewarm response [to the House Ways and Means Committee] when asked his opinion about a proposal the Bush Administration is considering to grant every American taxpayer a one-time rebate of up to \$300 in 1992 as a way of spurring consumer spending.... Asked if he considered it sound policy to increase the federal budget deficit by \$30 billion next year, the pricetag on the proposal, he answered with a short, "No."

HEATH INSURANCE (Reuter) -- More Americans lack health insurance than 25 years ago, when the government set up Medicaid and Medicare, a new study said. The number of uninsured rose to 34.7 million in 1990, up 1.3 million from 1989 and the vast majority of those were middle class, white and male, said the study, conducted by the non-profit group Public Citizen and Harvard University's National Health Program Studies.... The report said the figures predate the recession that began in July 1990 and due to the sluggish economy, the numbers should rise again in 1991.

GORBACHEV (Moscow/AP) -- President Gorbachev, bowing to harsh political reality, urged the national Supreme Soviet legislature to hold a final session to transfer power to President Yeltsin's new commonwealth, Tass said.

SOVIET COUP WARNING (Moscow/Reuter) -- Foreign minister Shevardnadze warned in an interview published Wednesday that another coup could be launched in the Soviet Union as the country heads for collapse. "I am very apprehensive," he told the newspaper Kuranty. "I do not know what to call it -- a putsch, an uprising, an explosion -- but the threat is still as great."

VIETNAM/U.S. TRAVEL (Reuter) -- The Bush Administration has lifted a ban on U.S.-organized travel to Vietnam, a slight easing of a decades-old trade embargo. The change clears the way for travel agents to arrange individual and group tours of Vietnam.

MISSING U.S. SOLDIERS/SOVIET UNION (Reuter) -- U.S. Senators said they have written to President Yeltsin asking for help in searching for American servicemen from WWII and the Korean War who may have wound up in the Soviet Union.

December 18, 91

George Bush Presidential Library Transfer Sheet

COLLECTION:

Bush Presidential Records
Office of the President

ACCESSION NUMBER:

1993.0001

FOIA/SYSTEMATIC
PROCESSING CASE
NUMBER (if app.):

☐ Transferred During Accessioning

☒ Transferred During Processing

2009-0166-S

The following material was transferred to:

☒ **Audiovisual Collection**

☐ **Book Collection**

☐ **Museum Collection**

☐ **Other**

Other (Specify):

DESCRIPTION:

White House Photographs: P27319-16A [Fred McClure]; P27305-29, 27305-17 [Sate Highway 360 Construction Site]; P27322-11 [Dan Rosetenkowski]

When transferring
material to the
museum
collection,
complete the
following.

Donor:

Donor Org.:

Address:

Telephone:

Book Location:

Row:

Section:

Shelf:

Position:

Map Case Location:**Series:**

Daily Files

Box Number:

142

Folder Title:

Wednesday, December 18, 1991

OA/ID Number:

90641-006

Transferred by:

Deborah Wheeler

Date of Transfer:

5/1/2014

Received by:

Mary Finch

Date Received:

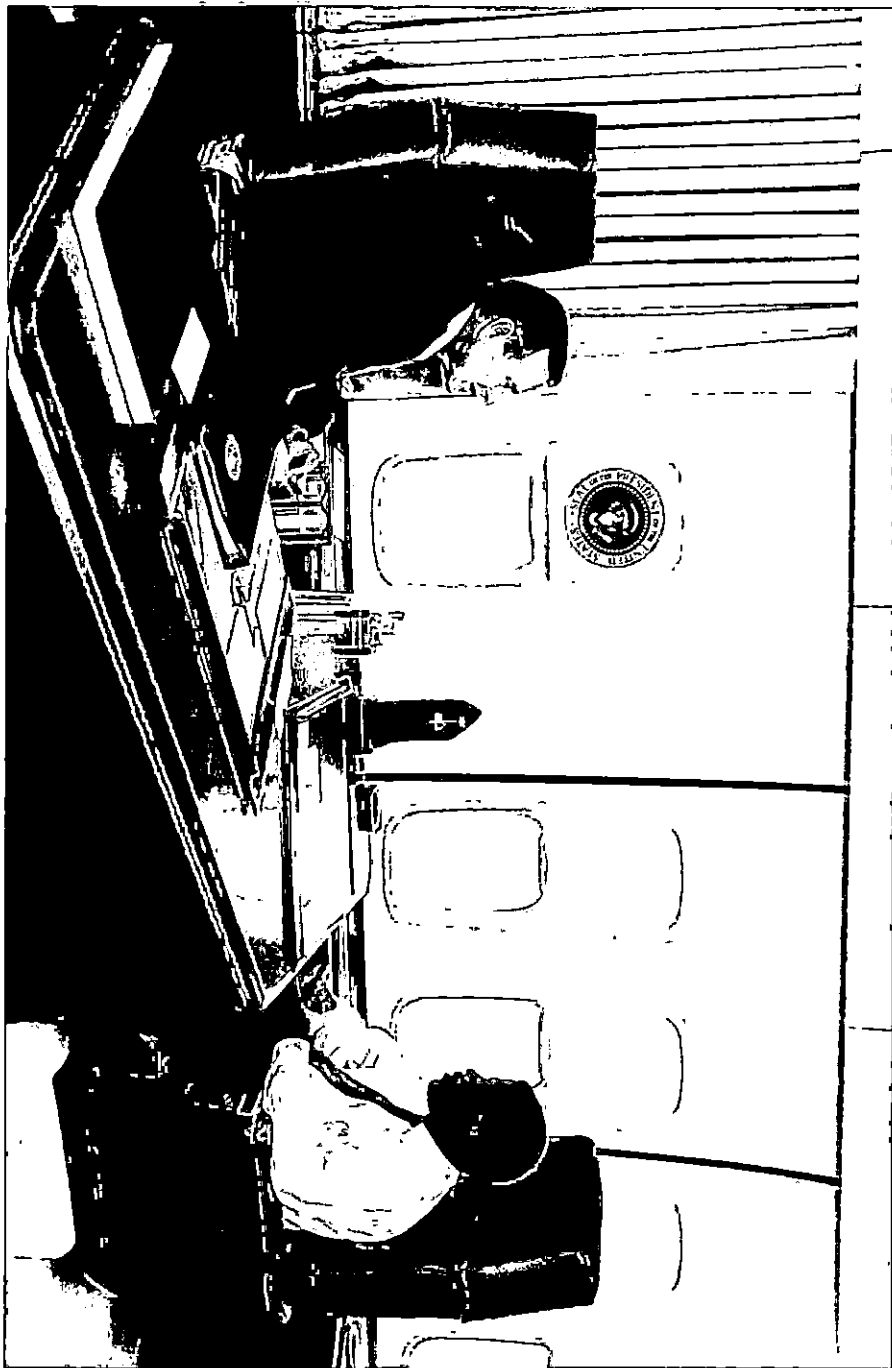
5/1/2014

Go to Database
Navigator

Go to Accession
Register

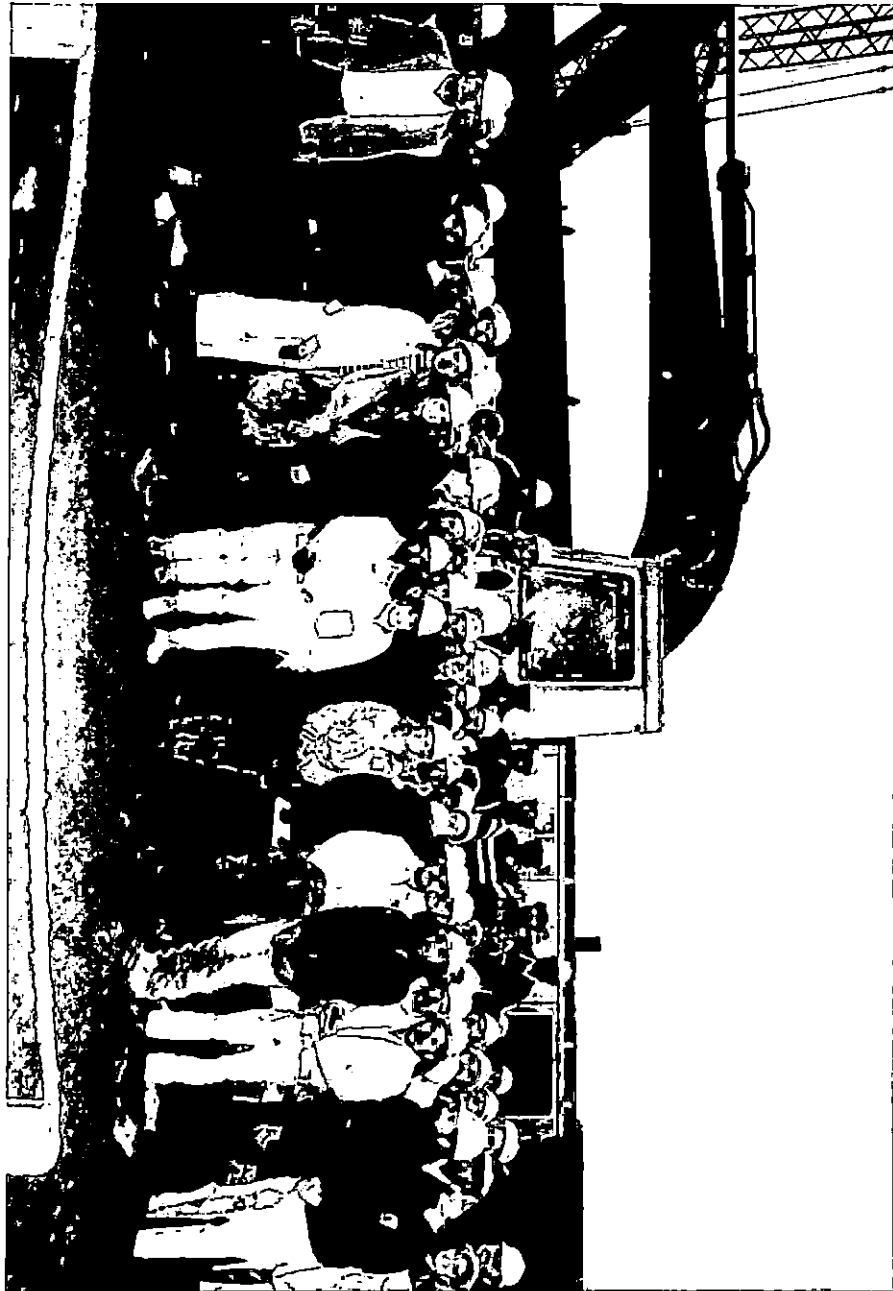
Go to Withdrawal Sheet

Print Record



OFFICIAL WHITE HOUSE PHOTOGRAPH 18 DEC 91 P27319-16A BY





OFFICIAL WHITE HOUSE PHOTOGRAPH 18 DEC 91 P27306-17 58



OFFICIAL WHITE HOUSE PHOTOGRAPH 18 DEC 91 P27322-11 DV